

# FILE NOTATIONS

Entered in NID File

☒

Checked by Chief

*PWB*

Entered On S R Sheet

☐

Copy NID to Field Office

Location Map Pinned

☒

Approval Letter

*7-20-66*

Card Indexed

☒

Disapproval Letter

☐

I W R for State or Fee Land

☐

## COMPLETION DATA:

Date Well Completed

*8-29-66*

Location Inspected

☐

OW

WW

TA

☒

Bond released

☐

GW

OS

PA

☐

State of Fee Land

☐

## LOGS FILED

Driller's Log

*10-23-66*

Electric Logs (No. )

☐

E

I

E-I

☒

GR

GR-N

Micro

Lat

Mi-L

Sonic

*MR*

Others

*Casing Collar & Perforation Log*

*Photographed Sonic Signals  
Amplitude Log*

*LWP*

*4-11-90*

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

## 1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

## b. TYPE OF WELL

OIL  
WELL ☒GAS  
WELL ☐

OTHER

SINGLE  
ZONE ☐MULTIPLE  
ZONE ☐

## 2. NAME OF OPERATOR

GULF OIL CORPORATION

## 3. ADDRESS OF OPERATOR

P. O. Box 1971, Casper, Wyoming 82601

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*)

At surface

1821' SNL, 800' WEL (SE ME)

At proposed prod. zone

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

## 15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

1821' North

## 16. NO. OF ACRES IN LEASE

1880

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

## 18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

None

## 19. PROPOSED DEPTH

5500'

## 20. ROTARY OR CABLE TOOLS

Rotary

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

Ungraded Ground 7450

## 22. APPROX. DATE WORK WILL START\*

7-27-66

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4	8-5/8	24	300	240 sacks
7-7/8	5-1/2	14	5500	200 sacks

We propose to drill a 5,500' Wasatch test.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. **Original Signed by**  
**LESTER LaFAVOUR**

SIGNED

**Lester LaFavour**

TITLE

**Area Production Manager**

DATE

**7-19-66**

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

cc: Utah Oil &amp; Gas Conservation Commission (2)

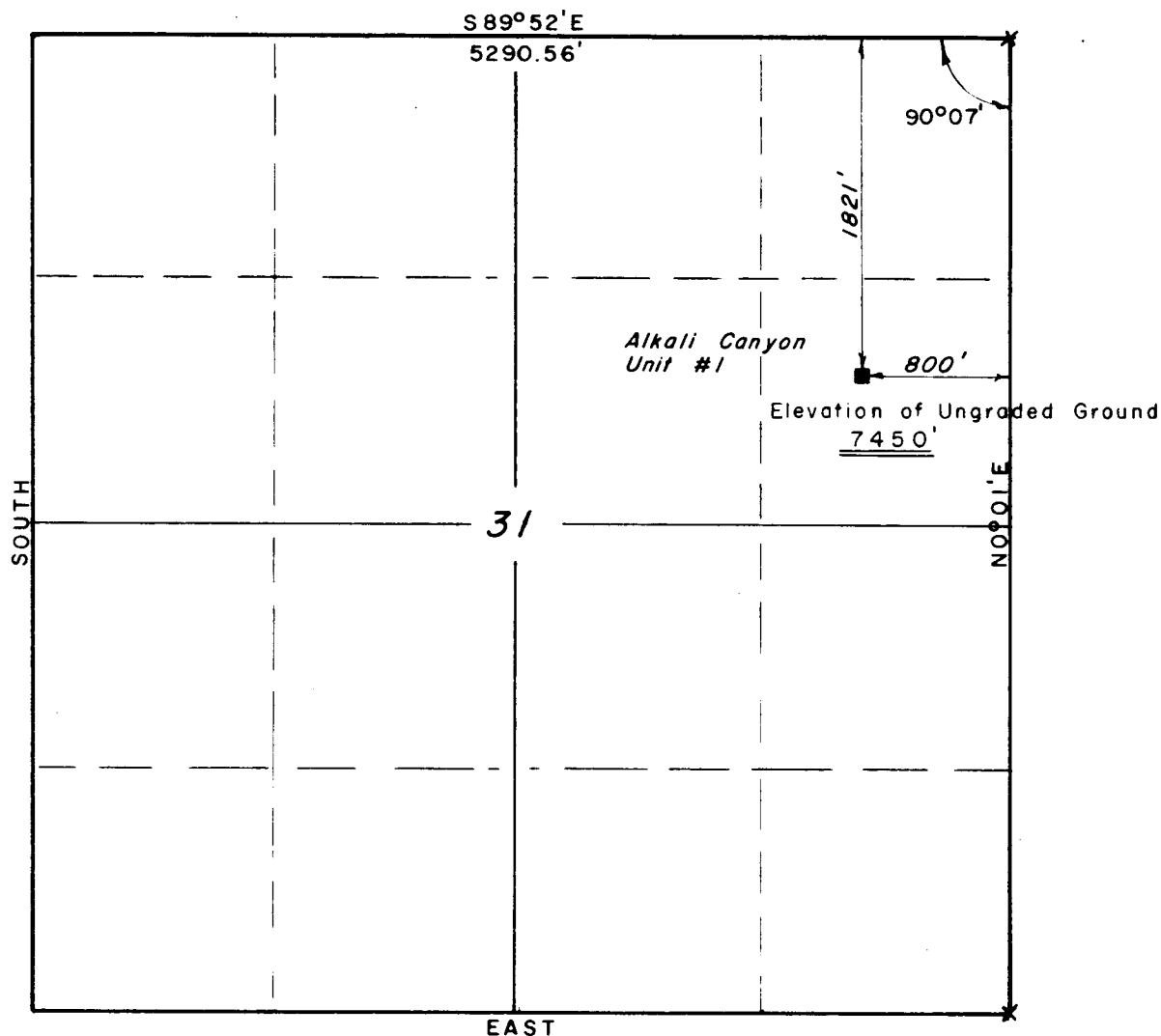
C. T. Gilbert

Ashland Oil & Refg. Co., Box 18695, Oklahoma City, Okla.  
See Instructions On Reverse Side

T6S, R4W, U.S.M.

PROJECT

GULF OIL CORP.  
WELL LOCATION ALKALI CANYON UNIT #1, LOCATED AS SHOWN IN THE SE 1/4, NE 1/4, SEC. 31, T6S, R4W, U.S.M., DUCHESNE COUNTY, UTAH.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*Nelson Marshall*

REGISTERED LAND SURVEYOR  
REGISTRATION NO 2454 UTAH

X = CORNERS LOCATED (Stone)

Note: Elevation from Department of Agriculture B.M.

in Sec. 6, T7S, R4W, USM

REGISTERED LAND SURVEYORS-UTAH & COLORADO

Uintah Engineering & Land Surveying  
BOX Q  
VERNAL, UTAH

SCALE	1" = 1000'	DATE	12 JULY, 1966
PARTY	NM-LT	REFERENCES	GLO Township Plat
WEATHER	CLEAR-HOT	FILE	GULF OIL CO.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

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## b. TYPE OF WELL

OIL  
WELL ☒GAS  
WELL ☐

OTHER

SINGLE  
ZONE ☐MULTIPLE  
ZONE ☐

## 2. NAME OF OPERATOR

GULF OIL CORPORATION

## 3. ADDRESS OF OPERATOR

P. O. Box 1971, Casper, Wyoming 82601

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*)

At surface

1821' SUL, 800' WEL (SEE MAP)

At proposed prod. zone

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

## 15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

1821' North

## 16. NO. OF ACRES IN LEASE

1880

## 17. NO. OF ACRES ASSIGNED

TO THIS WELL

## 18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

None

## 19. PROPOSED DEPTH

5500'

## 20. ROTARY OR CABLE TOOLS

Rotary

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

Ungraded Ground 7430

## 22. APPROX. DATE WORK WILL START\*

7-27-66

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4	8-5/8	24	300	240 sacks
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24. Original Signed by  
**LESTER LeFAVOUR**  
SIGNED Lester LeFavour TITLE Area Production Manager DATE 7-19-66  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

cc: Utah Oil &amp; Gas Conservation Commission (3)

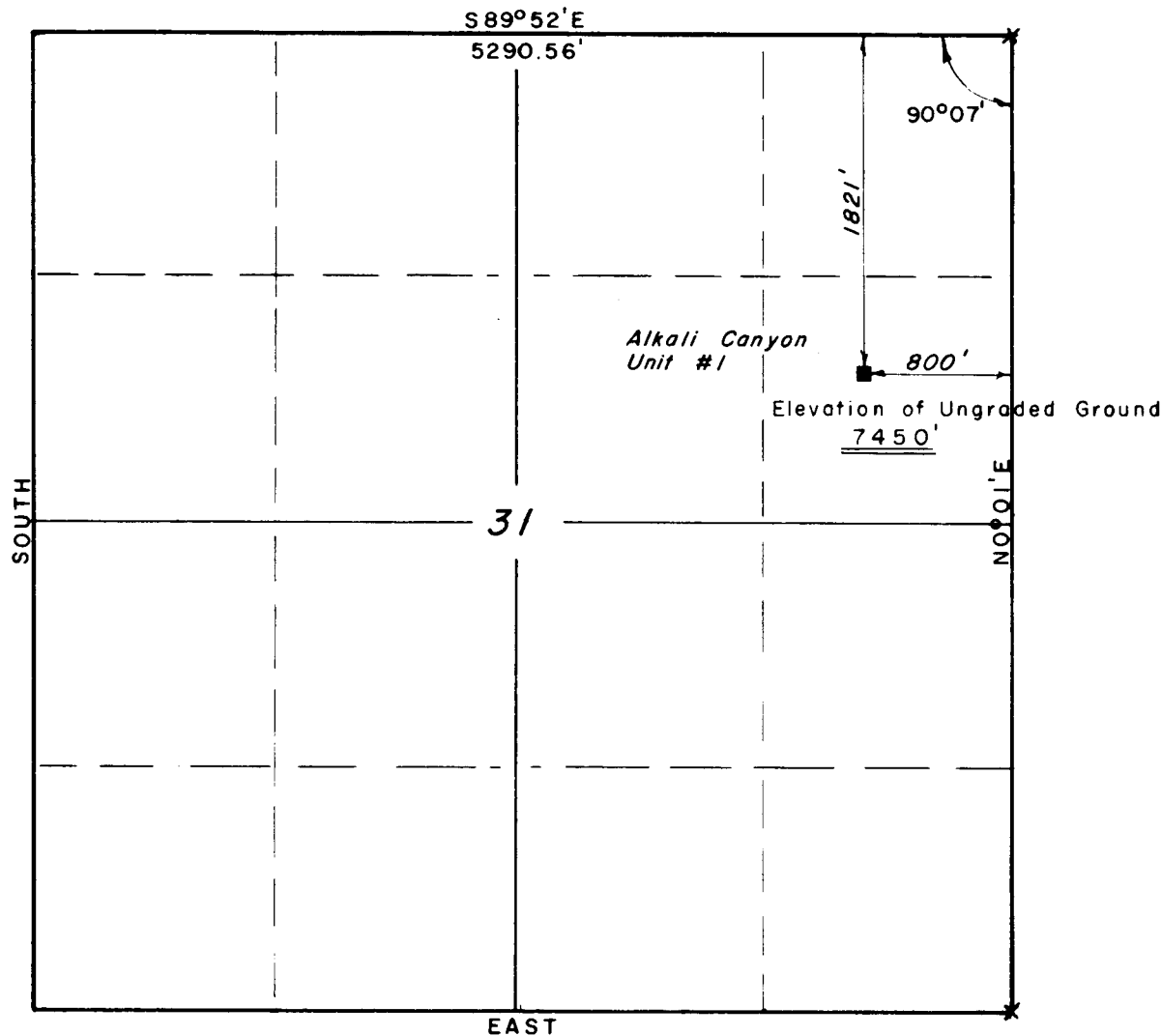
C. T. Gilbert

Ashland Oil & Refg. Co, Box 18695, Oklahoma City, Okla.  
See Instructions On Reverse Side

T6S, R4W, U.S.M.

PROJECT

GULF OIL CORP.  
WELL LOCATION ALKALI CANYON UNIT  
#1, LOCATED AS SHOWN IN THE SE 1/4,  
NE 1/4, SEC. 31, T6S, R4W, U.S.M.,  
DUCHESE COUNTY, UTAH.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED  
FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER  
MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT  
TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*Nelson J. Marshall*

REGISTERED LAND SURVEYOR  
REGISTRATION NO 2454 UTAH

X = CORNERS LOCATED (Stone)

Note: Elevation from Department of Agriculture B.M.

in Sec. 6, T7S, R4W, USM

REGISTERED LAND SURVEYORS-UTAH & COLORADO

Uintah Engineering & Land Surveying  
BOX Q  
VERNAL, UTAH

SCALE	1" = 1000'	DATE	12 JULY, 1966
PARTY	NM-LT	REFERENCES	GLO Township Plat
WEATHER	CLEAR-HOT	FILE	GULF OIL CO.

**STATE OF UTAH  
DEPARTMENTAL MEMORANDUM**

From  
DEPARTMENT

DATE:

DIVISION

FILE:

To  
DEPARTMENT

SUBJECT:

DIVISION

July 20, 1966

Gulf Oil Corporation  
P. O. Box 1971  
Casper, Wyoming 82601

Re: Well No. 1-Gulf Alkali Canyon,  
Sec. 31, T. 6 S., R. 4 W.,  
Duchesne County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above mentioned well is hereby granted.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

PAUL W. BURCHELL, Chief Petroleum Engineer  
HOME: 277-2890 - Salt Lake City, Utah  
OFFICE: 328-5771 - 328-5772 - 328-5773

This approval terminates within 90 days if the well has not been spudded-in within said period. Enclosed please find Form OGCC-8-X, which is to be completed if water sands (aquifers) are encountered while drilling, particularly accessible near surface water sands. Your cooperation with respect to completing this form will be greatly appreciated.

Very truly yours,

OIL & GAS CONSERVATION COMMISSION

CLEON B. FREIGHT  
EXECUTIVE DIRECTOR

CBF:ah

cc: Rodney Smith, District Engineer  
U. S. Geological Survey  
Salt Lake City, Utah

September 15, 1966

Gulf Oil Corporation  
P. O. Box 1971  
Casper, Wyoming 82601

Re: Well Nos. 1-Gulf Alkali Canyon,  
Sec. 31, T. 6 S., R. 4 W.,  
for the Month of August, 1966,  
Ute Tribal #1,  
Sec. 8, T. 4 S., R. 4 W.,  
Months of June thru' August, 1966,  
Ute Tribal #2,  
Sec. 8, T. 4 S., R. 5 W.,  
Duchesne County, Utah  
Months of July and August, 1966

Gentlemen:

Our records indicate that you have not filed a Monthly Report of Operations for the above mentioned month (s), for the subject well. Rule C-22(1), General Rules and Regulations and Rules of Practice and Procedure, Utah State Oil and Gas Conservation Commission, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on Form OGCC-1b (U. S. Geological Survey Form 9-331, "Sundry Notices and Reports on Wells"), or on company forms containing substantially the same information. We are enclosing forms for your convenience.

Your immediate attention is required in this matter.

Very truly yours,

OIL & GAS CONSERVATION COMMISSION

ANNETTE R. HANSEN  
RECORDS CLERK

arh

Enclosures: Forms

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Form approved.  
Budget Bureau No. 42-R356.5.

LAND OFFICE .....  
LEASE NUMBER .....  
UNIT .....

## LESSEE'S MONTHLY REPORT OF OPERATIONS

State Utah County Duchesne Field Wildcat

The following is a correct report of operations and production (including drilling and producing wells) for the month of August, 1966,

Agent's address P. O. Box 1971 Company Gulf Oil Corporation  
Casper, Wyoming Original Signed By  
Signed LESTER LeFAVOUR

Phone 235-5783 Agent's title Area Production Manager

SEC. AND 1/4 OF 1/4	TWP.	RANGE	WELL NO.	DAYS PRODUCED	BARRELS OF OIL	GRAVITY	CU. FT. OF GAS (In thousands)	GALLONS OF GASOLINE RECOVERED	BARRELS OF WATER (If none, so state)	REMARKS (If drilling, depth; if shut down, cause; date and result of test for gasoline content of gas)
SE NW 31	6S	4W	1	-	--					TD 5370'. Moving out rotary tools
Gulf - Alkali Canyon Federal										

2 - USGS, Salt Lake City, Utah  
2 - Utah Oil & Gas Commission  
1 - O. C. District Office  
1 - File

NOTE.—There were ..... runs or sales of oil; ..... M cu. ft. of gas sold;

..... runs or sales of gasoline during the month. (Write "no" where applicable.)

NOTE.—Report on this form is required for each calendar month, regardless of the status of operations, and must be filed in duplicate with the supervisor by the 6th of the succeeding month, unless otherwise directed by the supervisor.



November 11, 1966

Gulf Oil Corporation  
P. O. Box 1971  
Casper, Wyoming

Re: Alkali Canyon Federal #1,  
Sec. 31, T. 6 S., R. 4 W.,  
Duchesne County, Utah.  
September and October, 1966

Gentlemen:

Our records indicate that you have not filed a Monthly Report of Operations for the above mentioned month (s), for the subject well. Rule C-22(1), General Rules and Regulations and Rules of Practice and Procedure, Utah State Oil and Gas Conservation Commission, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on Form GGCC-1b (U. S. Geological Survey Form 9-331, "Sundry Notices and Reports on Wells"), or on company forms containing substantially the same information. We are enclosing forms for your convenience.

Your attention to this matter would be greatly appreciated.

Very truly yours,

OIL & GAS CONSERVATION COMMISSION

SHARON CAMERON  
RECORDS CLERK

sc

Enclosures:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEYLAND OFFICE \_\_\_\_\_  
LEASE NUMBER \_\_\_\_\_  
UNIT \_\_\_\_\_

## LESSEE'S MONTHLY REPORT OF OPERATIONS

State Utah County Cuchesno Field WildcatThe following is a correct report of operations and production (including drilling and producing wells) for the month of September, 1966.Agent's address P. O. Box 1971 Company Gulf Oil CorporationCasper, Wyoming Signed Lester De FriesPhone 235-5783 Agent's title Area Production Manager

SEC. AND ¼ OF ¼	TWP.	RANGE	WELL NO.	DAYS PRODUCED	BARRELS OF OIL	GRAVITY	CU. FT. OF GAS (In thousands)	GALLONS OF GASOLINE RECOVERED	BARRELS OF WATER (If none, so state)	REMARKS (If drilling, depth; if shut down, cause; date and result of test for gasoline content of gas)
SE NW 31	6S	4W	1	-	--					PBTD 4100'. Swab testing.
Gulf - Alkali Canyon Federal										
2 - USGS, Salt Lake City, Utah										
2 - Utah Oil & Gas Commission										
1 - O. C. District Office										
1 - File										

NOTE.—There were \_\_\_\_\_ runs or sales of oil; \_\_\_\_\_ M cu. ft. of gas sold;

\_\_\_\_\_ runs or sales of gasoline during the month. (Write "no" where applicable.)

NOTE.—Report on this form is required for each calendar month, regardless of the status of operations, and must be filed in duplicate with the supervisor by the 6th of the succeeding month, unless otherwise directed by the supervisor.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

LAND OFFICE .....  
LEASE NUMBER .....  
UNIT .....

**LESSEE'S MONTHLY REPORT OF OPERATIONS**

State Utah County Duchesne Field Wildcat

The following is a correct report of operations and production (including drilling and producing wells) for the month of November, 1966,

Agent's address P. O. Box 1971 Company Gulf Oil Corporation

Casper, Wyoming Signed Original Sign

Phone 335-5783 Agent's title LESTER LEF

Area Production Manager

SEC. AND 1/4 OF 1/4	TWP.	RANGE	WELL NO.	DAYS PRODUCED	BARRELS OF OIL	GRAVITY	CU. FT. OF GAS (In thousands)	GALLONS OF GASOLINE RECOVERED	BARRELS OF WATER (If none, so state)	REMARKS (If drilling, depth; if shut down, cause; date and result of test for gasoline content of gas)
SE NW 31	6S	4W	1	--	----					Well T. A.
Gulf - Alkali Canyon Federal										
2 - USGS, Salt Lake City, Utah										
1 - Utah Oil & Gas Commission										
1 - O. C. District Office										
1 - File										

NOTE.—There were ..... runs or sales of oil; ..... M cu. ft. of gas sold;

..... runs or sales of gasoline during the month. (Write "no" where applicable.)

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

LAND OFFICE .....  
LEASE NUMBER .....  
UNIT .....

**LESSEE'S MONTHLY REPORT OF OPERATIONS**

State Utah County Duchesne Field Wildcat

The following is a correct report of operations and production (including drilling and producing wells) for the month of November, 1966,

Agent's address P. O. Box 1971 Company Gulf Oil Corporation

Casper, Wyoming Signed Original Sign

Phone 335-5783 Agent's title LESTER LEF

Area Production Manager

SEC. AND 1/4 OF 1/4	TWP.	RANGE	WELL NO.	DAYS PRODUCED	BARRELS OF OIL	GRAVITY	CU. FT. OF GAS (In thousands)	GALLONS OF GASOLINE RECOVERED	BARRELS OF WATER (If none, so state)	REMARKS (If drilling, depth; if shut down, cause; date and result of test for gasoline content of gas)
SE NW 31	6S	4W	1	--	----					Well T. A.
Gulf - Alkali Canyon Federal										
2 - USGS, Salt Lake City, Utah										
1 - Utah Oil & Gas Commission										
1 - O. C. District Office										
1 - File										

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Form approved.  
Budget Bureau No. 42-R356.5.

LAND OFFICE \_\_\_\_\_  
LEASE NUMBER \_\_\_\_\_  
UNIT \_\_\_\_\_

## LESSEE'S MONTHLY REPORT OF OPERATIONS

State Utah County Duchesne Field Wildcat

The following is a correct report of operations and production (including drilling and producing wells) for the month of Jan. to June, 1967,

Agent's address P. O. Box 1971 Company Gulf Oil Corporation

Casper, Wyoming Signed LESTER LEFAVOUR

Phone 235-5783 Agent's title Area Production Manager

SEC. AND 1/4 OF 1/4	TWP.	RANGE	WELL NO.	DAYS PRODUCED	BARRELS OF OIL	GRAVITY	CU. FT. OF GAS (In thousands)	GALLONS OF GASOLINE RECOVERED	BARRELS OF WATER (If none, so state)	REMARKS (If drilling, depth; if shut down, cause; date and result of test for gasoline content of gas)
SE NW 31 6S 4W 1			1	-	--					Well T.A.

Gulf - Alkali Canyon Federal

- 2 - USGS, Salt Lake City, Utah
- 2 - Utah Oil & Gas Commission
- 1 - O. C. District Office
- 1 - File

NOTE.—There were \_\_\_\_\_ runs or sales of oil; \_\_\_\_\_ M cu. ft. of gas sold;

\_\_\_\_\_ runs or sales of gasoline during the month. (Write "no" where applicable.)

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Form approved.  
Budget Bureau No. 42-R356.5.

LAND OFFICE .....  
LEASE NUMBER .....  
UNIT .....

## LESSEE'S MONTHLY REPORT OF OPERATIONS

State Utah County Duchesne Field Wildcat

The following is a correct report of operations and production (including drilling and producing wells) for the month of July to Dec., 1967,

Agent's address P. O. Box 1971 Company Gulf Oil Corporation  
Casper, Wyoming Original Signed By  
235-5783 Signed LESTER LEFAVOUE  
Agent's title Area Production Manager

SEC. AND 1/4 OF 1/4	TWP.	RANGE	WELL No.	DAYS PRODUCED	BARRELS OF OIL	GRAVITY	CU. FT. OF GAS (In thousands)	GALLONS OF GASOLINE RECOVERED	BARRELS OF WATER (If none, so state)	REMARKS (If drilling, depth; if shut down, cause; date and result of test for gasoline content of gas)
SE NW 31	6S	4W	1	-	--					Well T.A.
<p>Gulf - Alkali Canyon Federal</p>										

- 2 - USGS, Salt Lake City, Utah
- 2 - Utah Oil & Gas Commission
- 1 - O. C. District Office
- 1 - File

NOTE.—There were ..... runs or sales of oil; ..... M cu. ft. of gas sold;

..... runs or sales of gasoline during the month. (Write "no" where applicable.)

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE\*

(See other In-  
structions on  
reverse side)Form approved.  
Budget Bureau No. 42-R355.5.

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> Other <b>T/A</b>										5. LEASE DESIGNATION AND SERIAL NO. <b>017282</b>	
b. TYPE OF COMPLETION: NEW WELL <input type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____										6. IF INDIAN, ALLOTTEE OR TRIBE NAME ---	
2. NAME OF OPERATOR <b>Gulf Oil Corporation</b>										7. UNIT AGREEMENT NAME ---	
3. ADDRESS OF OPERATOR <b>P. O. Box 1971, Casper, Wyoming</b>										8. FARM OR LEASE NAME <b>Alkali Canyon Federal</b>	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface <b>1821' SNL, 800' WEL (SE NE)</b> At top prod. interval reported below At total depth										9. WELL NO. <b>1</b>	
14. PERMIT NO. _____ DATE ISSUED _____										10. FIELD AND POOL, OR WILDCAT <b>Wildcat</b>	
15. DATE SPUDDED <b>7-30-66</b> 16. DATE T.D. REACHED <b>8-29-66</b> 17. DATE COMPL. (Ready to prod.) <b>T/A</b> 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* <b>GR. 7450'</b> 19. ELEV. CASINGHEAD										11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA <b>31-6S-4W</b>	
20. TOTAL DEPTH, MD & TVD <b>5370'</b> 21. PLUG, BACK T.D., MD & TVD <b>4265'</b> 22. IF MULTIPLE COMPL., HOW MANY* _____ 23. INTERVALS DRILLED BY <b>All</b> ROTARY TOOLS _____ CABLE TOOLS _____										12. COUNTY OR PARISH <b>Duchesne</b>	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* <b>None. Well temporarily abandoned</b>										13. STATE <b>Utah</b>	
26. TYPE ELECTRIC AND OTHER LOGS RUN <b>Sonic-Gamma Ray, IES, Amplitude, Sonic Signal Cement Bond, Casing Collar and Perforating Log</b>										25. WAS DIRECTIONAL SURVEY MADE <b>No</b>	
27. WAS WELL CORED											
29. CASING RECORD (Report all strings set in well)											
CASING SIZE		WEIGHT, LB./FT.		DEPTH SET (MD)		HOLE SIZE		CEMENTING RECORD		AMOUNT PULLED	
13-3/8"		48		60'		17-1/2"		60 sacks			
8-5/8"		24		296'		12-1/4"		225 sacks			
5-1/2"		15		5100'		7-7/8"		370 sacks			
29. LINER RECORD											
SIZE		TOP (MD)		BOTTOM (MD)		SACKS CEMENT*		SCREEN (MD)			
30. TUBING RECORD											
SIZE		DEPTH SET (MD)		PACKER SET (MD)							
31. PERFORATION RECORD (Interval, size and number)											
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.											
DEPTH INTERVAL (MD)						AMOUNT AND KIND OF MATERIAL USED					
4210'-4220'						250 gals. 15% HCL					
4220'-4230'						250 gals. 15% HCL					
4230'-4238'						1000 gals. 15% HCL					
3940'-3970'						280 bbls. SW & 2680# 10-20 sand					
33. PRODUCTION											
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)						WELL STATUS (Producing or shut-in)			
None		---						T/A			
DATE OF TEST		HOURS TESTED		CHOKE SIZE		PROD'N. FOR TEST PERIOD		OIL—BBL.		GAS—MCF.	
---		---		---		---		---		---	
FLOW. TUBING PRESS.		CASING PRESSURE		CALCULATED 24-HOUR RATE		OIL—BBL.		GAS—MCF.		WATER—BBL.	
---		---		---		---		---		---	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)										TEST WITNESSED BY	
---											
35. LIST OF ATTACHMENTS											
Two copies of items listed in #26 above											
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records											
Original Signed By											
SIGNED <b>LESTER LeFAVOUR</b> TITLE <b>Area Production Manager</b> DATE <b>12-21-66</b>											
Lester LeFavour											

\*(See Instructions and Spaces for Additional Data on Reverse Side)

cc: Utah Oil &amp; Gas Conservation Commission (2)



# INSTRUCTIONS

**General:** This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

**Item 4:** If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

**Item 18:** Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

**Items 22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

**Item 29:** "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

**Item 33:** Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

## 37. SUMMARY OF POROUS ZONES:

SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
31. 3994'-4002' 2 jets per foot 3216'-3236' 2 jets per foot 3240'-3245' 2 jets per foot			
2ST #1 1765' - 1805'		ISI 30 min.,	open 2 hrs. and 5 min., FSI 30 min.,
Recovered 60' drilling mud,		900' slightly gas cut fresh water.	Open with
strong blow, decreased to very weak blow at end of 2 hrs. Pressures: IH -			
943 psi, FH - 912 psi, ISI 343 psi, FSI - 394 psi, IF - 269 psi, FF - 354 psi.			
2ST #2 Packer set at 2582'-2688'.			Tools open with fair blow.
2ST #3 2665' - 2763'		ISI 30 min.	open 2 hrs., and 5 min., FSI 30 min.
Recovered 30' slightly oil and gas cut mud. Pressures: IH - 1300 psi, FH -			
1232 psi, ISI - 433 psi, FSI - 160 psi, IF - 30 psi, FF - 36 psi. Bottom Hole			
Temp. 97°			
2ST #4 2135' - 3200'		ISI 30 min.	open 2 hrs. and 10 min., FSI 30 min.
Recovered 890' slightly gas cut muddy water. Pressures: IH - 1504 psi, FH -			
1577 psi, ISI - 786 psi, FSI - 768 psi, IF - 42 psi, FF - 414 psi.			
2ST #5 4210' - 4265'		ISI 30 min.,	open 2 hrs. and 10 min., FSI - 30 min.
open with weak blow. NGTS, Recovered 280' oil and gas cut mud, 80' muddy			
brackish oil cut salt water. Pressures: IH - 2138 psi, FH - 2101 psi, ISI -			
1633 psi, FSI - 1405 psi, IF - 43 psi, FF - 197 psi.			

## 38. GEOLOGIC MARKERS

NAME	MEAS. DEPTH	TOP	TRUE VERT. DEPTH
Basil Green River	2630'		
Wesatch	4908'		

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEYSUBMIT IN TRIPLICATE\*  
(Other instructions on re-  
verse side)Form approved.  
Budget Bureau No. 42-R1424.

## SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> <b>Temporarily Abandoned</b>		5. LEASE DESIGNATION AND SERIAL NO. <b>317282</b>	
2. NAME OF OPERATOR <b>Gulf Oil Corporation</b>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR <b>P. O. Box 1971, Casper, Wyoming 82601</b>		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface <b>1821' SNL, 800' WEL (SE NE)</b>		8. FARM OR LEASE NAME <b>Alkali Canyon Federal</b>	
14. PERMIT NO.		9. WELL NO. <b>1</b>	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) <b>GR 7450'</b>		10. FIELD AND POOL, OR WILDCAT <b>Wildcat</b>	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA <b>31-68-4W</b>	
		12. COUNTY OR PARISH <b>Duchesne</b>	13. STATE <b>Utah</b>

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input checked="" type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	(Other) <input type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Subject well was drilled to a total depth of 5370', PBTD 4265', and was temporarily abandoned 10/5/66 as a non commercial well.

We now propose to plug well as follows:

Run in hole with tubing and displace hole with mud.  
Spot 10 sacks cement across perfs 3216' - 3245'. Pull tubing.  
Spot 20 sacks cement across casing stub of 5-1/2" casing.  
Spot 20 sacks cement across base of 8-5/8" surface casing.  
Spot 10 sacks cement surface plug and correct marker.

NOTE: If more than 1750' of casing is recovered we will place 25 sacks cement across interval 1790' to 1850'.

APPROVED BY DIVISION OF  
OIL & GAS CONSERVATION

DATE March 26, 1968

BY *Paul W. Burchell*  
Chief Petroleum Engineer

18. I hereby certify that the foregoing is true and correct

Original Signed by  
**LESTER LeFAVOUR**

SIGNED **Lester LeFavour**

TITLE **Area Production Manager**

DATE **3/12/68**

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

cc: Utah Oil & Gas Conservation Commission (2)

\*See Instructions on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEYSUBMIT IN TRIPLICATE\*  
(Other instructions on re-  
verse side)Form approved.  
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

017282

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

-

7. UNIT AGREEMENT NAME

-

8. FARM OR LEASE NAME

Alkali Canyon Federal

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLE. AND  
SURVEY OR AREA

31 - 6S - 4W

12. COUNTY OR PARISH

Duchesne

13. STATE

Utah

## SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)1. OIL ☐ GAS ☐ OTHER ☐ Temporarily abandoned

2. NAME OF OPERATOR

Gulf Oil Corporation

3. ADDRESS OF OPERATOR

P. O. Box 1971, Casper, Wyoming 82601

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*  
See also space 17 below.)  
At surface

1821' SNL, 800' WEL (SE-NE)

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

## 16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

## NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐FRACTURE TREAT ☐SHOOT OR ACIDIZE ☐REPAIR WELL ☐(Other) ☐PULL OR ALTER CASING ☐MULTIPLE COMPLETE ☐ABANDON\* ☐CHANGE PLANS ☐

## SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐FRACTURE TREATMENT ☐SHOOTING OR ACIDIZING ☐(Other) ☐REPAIRING WELL ☐ALTERING CASING ☐ABANDONMENT\* ☒(NOTE: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any  
proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones perti-  
nent to this work.)\*

Well was drilled to a total depth of 5370', PBTD 4265', and was temporarily  
abandoned 10-5-68 as non commercial, and was plugged and abandoned 8-24-68  
as follows:

Ran in hole with tubing of 3288' and loaded hole w/mud  
Raised tubing to 3256', spotted 10 sacks reg. cement  
Spotted 45 sacks reg. cement at 1800'  
Spotted 20 sacks reg. cement at 300'  
Spotted 10 sacks reg. cement at surface and installed  
marker. Plugged and abandoned 8-24-68.

18. I hereby certify that the foregoing is true and correct

SIGNED

ORIGINAL SIGNED BY  
J. D. Mackay

TITLE Area Production Manager

DATE

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

cc: Utah Oil and Gas Commission (2)

\*See Instructions on Reverse Side

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
OIL AND GAS INSPECTION RECORD

OPERATOR: GULF OIL CORPORATION LEASE: U-017282  
WELL NAME: #1-GULF ALKALI CANYON API: 43-013-20100  
SEC/TWP/RNG: 31 06.0 S 04.0 W CONTRACTOR:  
COUNTY: DUCHESNE FIELD NAME: SOWERS CANYON

DRILLING/COMPLETION/WORKOVER:

<input type="checkbox"/> APD	<input type="checkbox"/> WELL SIGN	<input type="checkbox"/> HOUSEKEEPING	<input type="checkbox"/> BOPE
<input type="checkbox"/> SAFETY	<input type="checkbox"/> POLLUTION CNTL	<input type="checkbox"/> SURFACE USE	<input type="checkbox"/> PITS
<input type="checkbox"/> OPERATIONS	<input type="checkbox"/> OTHER		

SHUT-IN ☐ / TA ☐:

<input type="checkbox"/> WELL SIGN	<input type="checkbox"/> HOUSEKEEPING	<input type="checkbox"/> EQUIPMENT *	<input type="checkbox"/> SAFETY
<input type="checkbox"/> OTHER			

ABANDONED:

<input type="checkbox"/> MARKER	<input type="checkbox"/> HOUSEKEEPING	<input type="checkbox"/> REHAB	<input type="checkbox"/> Y OTHER
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PRODUCTION:

<input type="checkbox"/> WELL SIGN	<input type="checkbox"/> HOUSEKEEPING	<input type="checkbox"/> EQUIPMENT *	<input type="checkbox"/> FACILITIES *
<input type="checkbox"/> METERING *	<input type="checkbox"/> POLLUTION CNTL	<input type="checkbox"/> PITS	<input type="checkbox"/> DISPOSAL
<input type="checkbox"/> SECURITY	<input type="checkbox"/> SAFETY	<input type="checkbox"/> OTHER	

GAS DISPOSITION:

<input type="checkbox"/> VENTED/FLARED	<input type="checkbox"/> SOLD	<input type="checkbox"/> LEASE USE
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LEGEND: Y = YES/SATISFACTORY N = NO/UNSATISFACTORY A = NOT APPLICABLE

\*FACILITIES INSPECTED:

REMARKS:

PER BLM FILES-WELL PA'D AND RECLAMATION COMPLETED.

ACTION:

INSPECTOR: JIM THOMPSON

DATE: 01/30/90

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
OIL AND GAS INSPECTION RECORD

OPERATOR: GULF OIL CORPORATION LEASE: U-017282  
WELL NAME: #1-GULF ALKALI CANYON API: 43-013-20100  
SEC/TWP/RNG: 31 06.0 S 04.0 W CONTRACTOR:  
COUNTY: DUCHESNE FIELD NAME: SOWERS CANYON

DRILLING/COMPLETION/WORKOVER:

- APD	- WELL SIGN	- HOUSEKEEPING	- BOPE
- SAFETY	- POLLUTION CNTL	- SURFACE USE	- PITS
- OPERATIONS	- OTHER		
SHUT-IN / TA :			
- WELL SIGN	- HOUSEKEEPING	- EQUIPMENT *	- SAFETY
- OTHER			

ABANDONED:

Y MARKER	Y HOUSEKEEPING	Y REHAB	Y OTHER
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PRODUCTION:

- WELL SIGN	- HOUSEKEEPING	- EQUIPMENT *	- FACILITIES *
- METERING *	- POLLUTION CNTL	- PITS	- DISPOSAL
- SECURITY	- SAFETY	- OTHER	

GAS DISPOSITION:

- VENTED/FLARED	- SOLD	- LEASE USE
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LEGEND: Y = YES/SATISFACTORY N = NO/UNSATISFACTORY A = NOT APPLICABLE

\*FACILITIES INSPECTED:

LOCATION, P&A MARKER

REMARKS:

THIS WELL WAS LOCATED AND PICTURES WERE TAKEN 6-24-92

ACTION:

NFIN

INSPECTOR: JOHN BERRIER

DATE: 06/24/92

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.  
UTU-77315

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
ALKALI CANYON FEDERAL

9. WELL NO.  
#1

10. FIELD AND POOL OR WILDCAT  
WILDCAT

11. SEC., T., R., M., or BLK.  
AND SURVEY OR AREA  
SEC. 31, T. 35, R. 4W

12. COUNTY OR PARISH  
DUCHESE

13. STATE  
UTAH

1a. TYPE OF WORK DRILL ☐ RE-ENTRY DEEPEN ☐ PLUG BACK ☐

1b. TYPE OF WELL  
OIL GAS  
WELL ☒ WELL ☐ OTHER  
SINGLE MULTIPLE  
ZONE ☒ ZONE ☐

2. NAME OF OPERATOR  
Medallion Exploration

3. ADDRESS OF OPERATOR  
P.O. Box 1328 Roosevelt, Utah 84066 435-722-4600

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At Surface 1804' FNL AND 849' FEL, SE/NE, SEC. 31

At proposed Prod. Zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
29.6

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY  
OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
1992.5'

16. NO. OF ACRES IN LEASE  
2,222.74

17. NO. OF ACRES ASSIGNED TO THIS WELL  
640

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL,  
DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.  
APPROX. 4 MILES

19. PROPOSED DEPTH  
4950'

20. ROTARY OR CABLE TOOLS  
ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
7457'

22. APPROX. DATE WORK WILL START\*  
UPON APPROVAL AND AVAILABILITY OF RIG

23. PROPOSED CASING AND CEMENTING PROGRAM

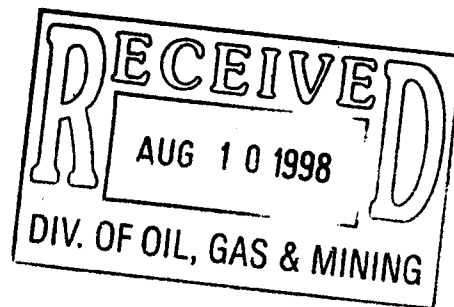
SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24	296'	225 SKS. Pumped Dec. 1936
7 7/8"	5 1/2"	15	5100'	370 SKS. Pumped Dec. 1966

Medallion exploration proposes to cut off dry hole marker and install 11"x 3 M casing and 7 1/16"x 5M tubing spools.  
Drill out cement plugs and CIBPs down to 4950'. Perforate and test several zones in the Greenriver formation.  
If well is completed as a producer then a sundry well be sent showing where surface equipment is to be set.  
If well is not a producer when well will be plugged and location reclaimed as per USFS and BLM recommendations.

This APD is also a request for a right of way.

All operations will be covered under Medallion Explorations federal bond #UT- 1066

c: 2- USFS Vernal  
c: 3- BLM Vernal  
c: 2- State of Utah Div. Of Oil, Gas and Mining



IN ABOVE SPACE DESCRIBE PROPOSE DRILLING PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone.  
If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Stuart Hamb TITLE FIELD SUPERINTENDENT DATE 8/6/98

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE.)

Federal Approval of this  
Action Is Necessary

PERMIT NO. 43-013-20100 APPROVAL DATE BRADLEY G. HILL  
APPROVED BY Bradley G. Hill TITLE RECLAMATION SPECIALIST III DATE 8/20/98

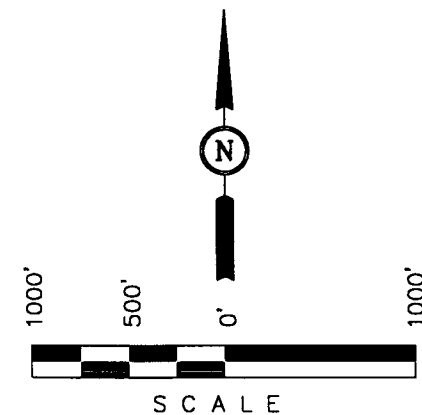
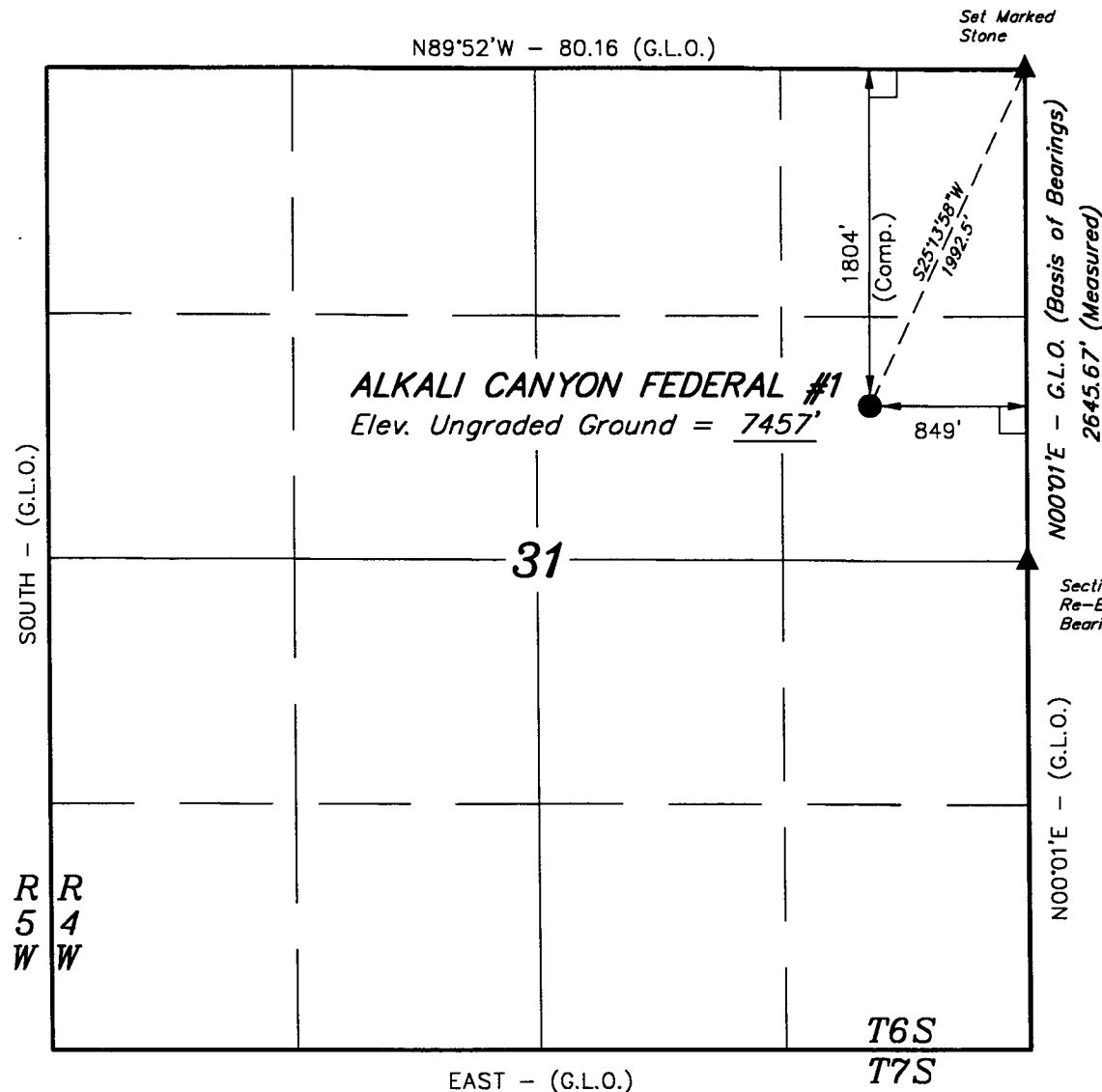
**T6S, R4W, U.S.B.&M.**

# MEDALLION EXPLORATION

Well location, ALKALI CANYON FEDERAL #1, located as shown in the SE 1/4 NE 1/4 of Section 31, T6S, R4W, U.S.B.&M. Duchsene County, Utah.

## BASIS OF ELEVATION

TRIANGULATION STATION GILSONITE LOCATED IN SE 1/4 OF SECTION 13, T6S, R4W, U.S.B.&M. TAKEN FROM THE ANTHRO MTN. NE, QUADRANGLE, UTAH, DUCHSENE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7370 FEET.



## CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR  
ROBERT V. RAY  
REGISTRATION NO. 16139A  
STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

## LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

SCALE 1" = 1000'	DATE SURVEYED: 07-02-98	DATE DRAWN: 07-06-98
PARTY D.K. P.R. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE MEDALLION EXPLORATION	

**ONSHORE ORDER NO 1**  
**MEDALLION EXPLORATION, INC.**  
Alkali Canyon Federal Lease No. 77317  
 1804' SNL and 849' WEL  
 SE NE Sec 31, T6S - R4W  
 Duchense County, Utah

**DRILLING PROGRAM**

**ONSHORE OIL & GAS ORDER NO. 1**  
**Approval of Operations on Onshore**  
**Federal and Indian Oil and Gas Leases**

All Lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

**1. Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Green River	Surface	+7457'
Tgr3 Marker	2553'	+4904'
K Marker	3380'	+4077'
CP70	3930'	+3527'
Wasatch	4900'	+2557'
T.D.	5100'	+2357'

**2. Estimated Depths of Anticipated Water, Oil, Gas or Minerals Formation**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas & Oil	Greenriver	2200' - 4800'
Gas & Oil	Wasatch	4900'

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.



**ONSHORE ORDER NO 1**  
**MEDALLION EXPLORATION, INC.**  
Alkali Canyon Federal Lease No. 77317  
1804' SNL and 849' WEL  
SE NE Sec 31, T6S - R4W  
Duchense County, Utah

**DRILLING PROGRAM**

**3. Pressure Control Equipment: (No Schematic is required)**

Medallion Exploration minimum specifications for pressure control equipment are as follows:

Ram Type: 7 1/16" Hydraulic double , 5000 psi w.p.

Ram type preventors and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

No Annular type preventers will be used for this re-entry.

No pressure testing nor BOP diagram is required because the casing has been set and cemented.

As a minimum, a test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

**ONSHORE ORDER NO 1**  
**MEDALLION EXPLORATION, INC.**  
Alkali Canyon Federal Lease No. 77317  
 1804' SNL and 849' WEL  
 SE NE Sec 31, T6S - R4W  
 Duchense County, Utah

**DRILLING PROGRAM**

Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

- a. The size and rating of the BOP stack need not be shown on a diagram., most of the equipment for this depth of hole in the area use a 3000 psi working pressure blowout preventor.
- b. The accumulator system shall have a pressure capacity to provide for repeated operations of hydraulic preventers.
- c. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

**4. proposed Casing and Cementing Program:**

- a. All indications of usable water shall be reported.
- b. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- c. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not exceed 70 percent of the minimum internal yield. If pressure declines more than 1- percent in 30 minutes, corrective action shall be taken.
- d. The casing in the well was run as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>NEW Or Used</u>
Surface	0-296'	12-1/4"	9-5/8"	24 #	J-55 ?	ST&C ?	New
Produc.	0-5100'	7 7/8"	5-1/2"	15 #	J-55 ?	LT&C ?	New*

**ONSHORE ORDER NO 1**  
**MEDALLION EXPLORATION, INC.**  
Alkali Canyon Federal Lease No. 77317  
1804' SNL and 849' WEL  
SE NE Sec 31, T6S - R4W  
Duchense County, Utah

**DRILLING PROGRAM**

- e. The cement program was pumped as follows:

Surface  
0-296'

Type and Amount  
225 sks class G.

Production

Type and Amount  
370 sks class G  
pumped Dec. 1966

- f. The following reports shall be filed with the District Manager within 30 days after the work is completed.
1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
    - a. Weekly progress report. Show the spud date on the first reports submitted.
- g. Auxiliary equipment to be used is as follows:
1. Kelly cock
  2. No bit float is deemed necessary.
  3. A sub with a full opening valve.

**ONSHORE ORDER NO 1**  
**MEDALLION EXPLORATION, INC.**  
Alkali Canyon Federal Lease No. 77317  
 1804' SNL and 849' WEL  
 SE NE Sec 31, T6S - R4W  
 Duchense County, Utah

**DRILLING PROGRAM**

5. **Mud Program:**

- a. The proposed circulating mediums to be employed in drilling are as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-4950'	3% KCL	8.4-8.6	N/C	NC	N/C

Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations.

- b. Mud monitoring equipment to be used is as follows:

1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.

- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

- e. The use of materials under BLM & USFS jurisdiction will conform to 43 CFR 3610.2-3.

6. **Evaluation Program:**

The anticipated type and amount of testing, logging and coring are as follows:

- a. No drill stem tests are anticipated, however, if they are run the following will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DST's may be accomplished day or night.

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Duchense County, Utah

**DRILLING PROGRAM**

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program consisted of a CBL, CCL and Gramaray from 4950' to cement top.
- c. No cores will be taken.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program is as follows:  
Perforate and test several zones in the Greenriver formation. Sand frac if necessary.
- f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

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**7. Abnormal Temperatures of Pressures**

- a. No abnormal temperatures or pressures are anticipated. No H<sub>2</sub>S has been encountered in or known to exist from previous wells drilled to similar depths in the general area.
- b. The maximum anticipated bottom hole pressure will be approximately 1100 psi at T.D.

**8. Anticipated Starting Dates and Notification of Operations:**

- a. Drilling will commence immediately upon approval of this application and the availability of a rig.
- b. It is anticipated that the re-entry of this well will take approximately 3 days and completion approximately 15 days.
- c. The Vernal District Office shall be notified, during regular work hours (7:45 a.m. - 4:30 p.m., Monday through Friday except holidays), at least 24 hours prior to spudding the well.
- d. Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.
- e. The date on which productions is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

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- f. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operation may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.
- g. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the A.O. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- h. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular workday. The oral report will be followed up with a Sundry Notice.
- i. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- j. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- k. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

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- l. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- m. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- n. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- o. A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3 and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.
- p. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- q. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
- r. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.



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SURFACE USE PLAN

ONSHORE OIL & GAS ORDER NO. 1

NOTIFICATION REQUIREMENTS

Location Construction -	forty-eight (48) hours prior to construction of location and access roads.
Location Completion -	prior to moving on the drilling rig.
Spud Notice -	at least twenty-four (24) hours prior to spudding the well.
Casing string and - Cementing	twenty-four (24) hours prior to running casing and cementing all casing strings.
BOP and Related - Equipment Tests	twenty-four (24) hours prior to initiating pressure tests.
First Production - Notice	within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

The onsite inspection for the subject well was conducted on Wednesday, July, 29, 1998 at approximately 9:30 a.m. Weather conditions were warm and sunny. In attendance at the onsite inspection were the following individuals:

Craig Darlington  
Chauncie Todd  
Barry Burkhardt  
Steven Lamb  
Gene Caldwell  
John E. Fausett  
Jim Justice

Bureau of Land Management  
USFS  
USFS  
Medallion Exploration  
Medallion Exploration  
Fausett INC. Construction  
J-West Constuction

Medallion Exploration  
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1. **Existing Roads**

- a. The proposed well site is located approximately 29.6 miles southwest of Myton, Utah.

- b. Directions to the location from Myton, Utah is as follows:

Proceed in a southwesterly direction from Myton along highway 40 approximately 8.8 miles to the junction of this road and an existing road to the south. Turn left and proceed in a southerly then southwesterly direction along the Antelope Canyon road approximately 6.6 miles to the junction of this road and an existing road to the southeast; turn left and proceed in a southeasterly, then southwesterly direction approximately 4.2 miles to the junction of this road and an existing road to the south; then turn left and proceed in a southerly direction approximately 6.3 miles to the beginning of the proposed access road to the southeast; follow road flags in an southwesterly direction approximately 3.7 miles to the proposed location.

- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Improvement to the existing access will not be necessary. If the well is completed as a producer then the 3.7-mile access road will be up graded to meet SMA standards. The access road will only be flat bladed for the re-entry of this well.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. **Planned Access Roads**

- a. Approximately 3.7 miles of access road will need to be flat bladed shown on Map A.
- b. The maximum grade of the new construction will be approximately 2%.
- c. No turnouts are planned.
- d. No low water crossings will be necessary. There are no major cuts and fills. No culverts and/or bridges will be required.

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**SURFACE USE PLAN**

- e. The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.
- f. No cattle guards will be installed.
- g. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- h. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- i. If well is completed as a producer the road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainage's be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- j. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produce, stored, transported, or disposed of in association with the drilling of this well.
- l. A right of way will be necessary for access roads and pipeline located outside of Lease No. UTU-77317. Total length of the right of way will be approximately 5.4 miles. An additional 3549' is located within the lease. Right of Way may be issued to the wellhead if preferred by your office.

For location of right of way, please see Map "A" attached. The following USFS acreage will be affected:

**T6S-R4W**

Sec. 29:

Sec. 28:

Sec. 25

There are no related structures or facilities planned at this time.

The right of way is requested for 30 years or the entire life of the producing well, whichever is longer.

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The road will be used year-round for maintenance of production facilities. Only flat blading of the existing roadway will be required at this time. No temporary work areas will be needed.

Attached is the application and monitoring fee in the amount of \$175.00.

**3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location.**  
**(See Map #C).**

- a. Water wells - none.
- b. Injection wells - none
- c. Producing wells - none
- d. Drilling wells - none
- e. Shut-in wells - none
- g. Disposal wells - none
- h. Abandoned wells - none
- i. Dry Holes- none

**4. Location of Tank Batteries and Production Facilities.**

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Desert Tan (10YR6/3). All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.
- b. If storage facilities/tank batteries are constructed on this lease, the facility, battery, or the well pad shall be surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

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- c. A Sundry Notice will be submitted showing placement of all production facilities prior to construction.
- d. All loading lines will be placed inside the berm surrounding the tank battery.
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flow line will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.
- f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.
- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.
- h. Any necessary pits will be properly fenced to prevent any wildlife entry.
- i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- j. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- l. The road will be maintained in a safe useable condition.

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SURFACE USE PLAN

5. Location and Type of Water Supply

- a. All water needed for re-entry purposes will be obtained from Kenneth and Barbara Richens permit # 43-1721. Located in Sec. 34, T3S, R2W. A copy of the permit identifying the permit number and point of diversion is attached.
- b. Water will be hauled to location over the roads marked on Maps A and B.
- c. No water well is to be drilled on this lease.

6. Source of Construction Material

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. The use of materials under BLM or USFS jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.

7. Methods of Handling Waste Disposal

- a. No reserve pit will be constructed for this re-entry.
- b. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- c. After first production, produced wastewater will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

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- d. Drill cuttings are to be contained and buried in the flare pit.
- e. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- f. A chemical porta-toilet will be furnished with the drilling rig.
- g. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.

**8. Ancillary Facilities**

There are no airstrips, camps or other facilities planned during the drilling of the proposed well.

**9. Well Site Layout**

- a. The operator or his/her contractor shall contact the USFS Office at 435-789-1181 forty-eight--(48) hours prior to construction activities.
- b. The flare pit will be located on the southwest side of the location.
- c. The flare pit will be located downwind of the prevailing wind direction on the southwest side of location, a minimum of 100 feet from the well head.
- d. The stockpiled topsoil (first six inches) will be stored in a windrow fashion on the south side of the location between points 6 & 4. If and when well is completed as an producer it will have a seed mix as per USFS spread over topsoil stockpile and tracked in with dozer. There will be no spoils stockpile.
- e. Access to the well pad will be from the East between points 1 and 2.
- f. See Location Layout for orientation of rig.
- g. The location of mud tanks; flare pit, trash cage; pipe racks and soil stockpiles will be shown on the Location Layout.

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- h. During construction, all brush will be removed from the well pad and access road and stockpiled separately from the topsoil.
- i. All pits will be fence according to the following minimum standards:
  - 1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
  - 2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
  - 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
  - 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
  - 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.
- j. If a reserve pit is deemed necessary and after approval the reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

**10. Plans for Restoration of Surface**

**Producing Location**

- a. Immediately upon well completion the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.



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- c. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer.
- d. The seed mixture for reclamation work will be a sight specific mixture as recommended by the authorized officer of the USFS at the time of reclamation. Seeding will be performed in the fall after September 15 or until permanent ground freeze. Any other seeding period will require the approval of the authorized officer of the USFS.
- e. The topsoil stockpile will be seeded as noted above.

**Dry Hole**

- f. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and USFS will attach the appropriate surface rehabilitation conditions of approval.

**11. Surface Ownership**

Access Roads – All roads are County maintained or managed by the USFS with the exception of the 3.7-mile upgraded access road located in Sections 31, 32, 28, 27, 26, 24 & 23. See map A

Well pad – The well pad is located on lands managed by the USFS.

**12. Other Information**

- a. A Class III archeological survey will not be necessary due to the fact that this re-entry will utilize only the old well pad site.
- b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archeological sites, or for collecting artifacts. If historic or archeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the Operator as to:
  - whether the materials appear eligible for the National Register of Historic Places;
  - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

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- at a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.
- c. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- d. Drilling rig and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without USFS authorization. However, if USFS authorization is obtained, it is only a temporary measure.
- e. No erosion control structures will be required by the USFS unless well is completed as a producer then a drainage ditch well need some work where it drains into the wash to the west of location.
- f. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- g. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- h. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.

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- i. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- j. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expirations of the original approval period. After permit termination, a new application will be filed for approval for any future operations.
- k. The operator or his contractor shall contact the BLM Office at 435-789-1362 and USFS Office at 435-789-1181 48 hours prior to construction activities.
- l. The USFS Office shall be notified upon site completion prior to moving on the drilling rig.
- m. In the event after-hours approvals are necessary, please contact one of the following individuals:

Gerald E. Keneska	Petroleum Engineer	435-781-1190
Ed Forsman	Petroleum Engineer	435-789-7077
BLM Fax Machine		435-789-3634

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SURFACE USE PLAN

13.

Lessee's or Operator's Representative and CertificationPermit Matters

Medallion Exploration  
P.O. Box 1328  
Roosevelt, Utah, 84066  
435-722-4600 (O) Steve Lamb  
435-646-3441 (H)  
435-722-7500 (M)

Drilling & Completion Matters


MEDALLION EXPLORATION  
P.O. Box 1328  
Roosevelt, Utah 84066  
435/722-4600 (O) Steve Lamb  
435/646/3441 (H)  
435/722-7500 (M)

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Medallion Exploration and its contractors and sub contractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 100 for the filing of a false statement.

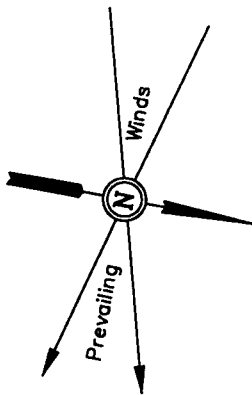
August 6, 1998

  
Steven b. Lamb  
Field Supt.  
Medallion Exploration.

# MEDALLION EXPLORATION

## LOCATION LAYOUT FOR

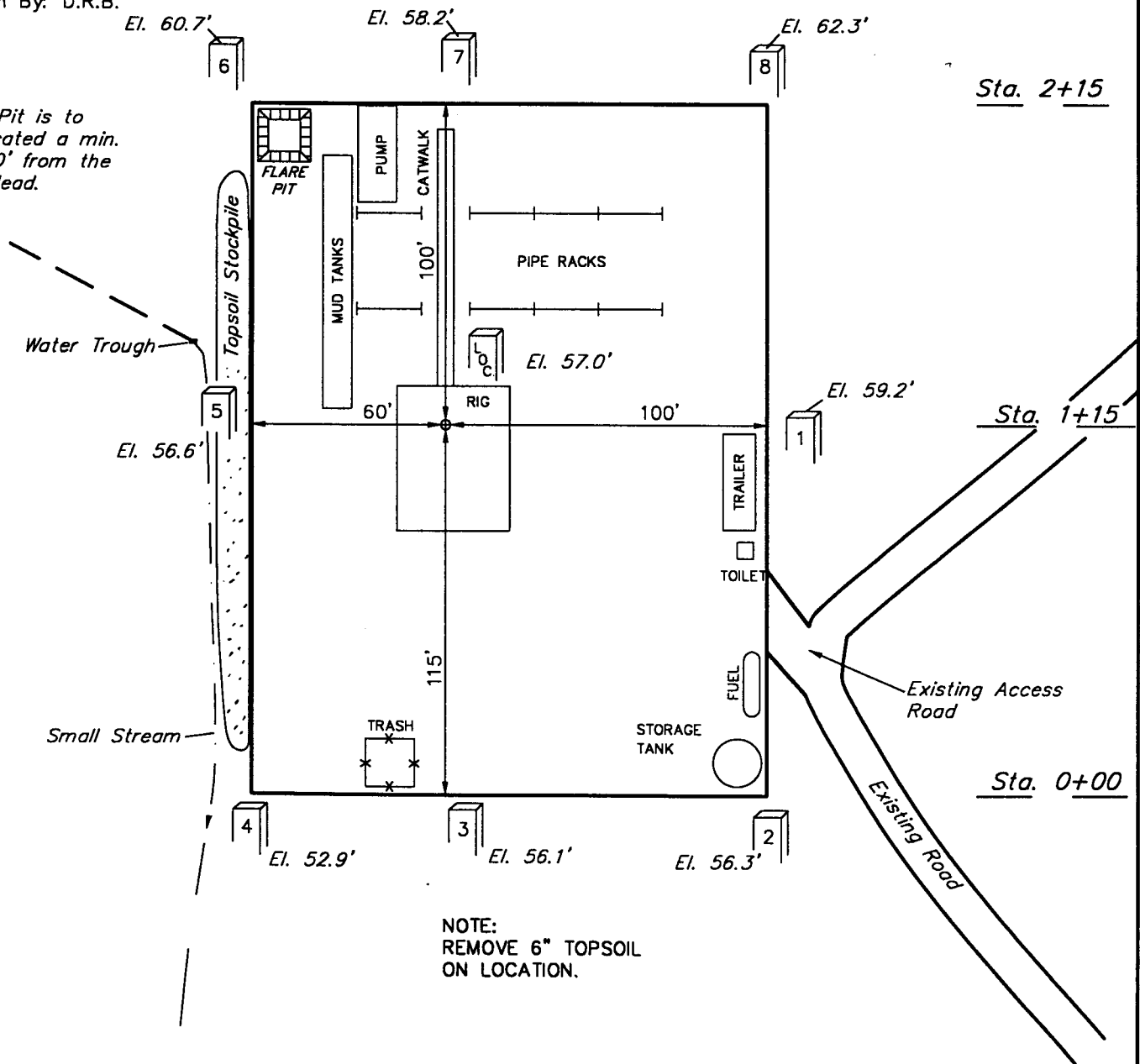
ALKALI CANYON FEDERAL #1  
SECTION 31, T6S, R4W, U.S.B.&M.  
1804' FNL 849' FEL



SCALE: 1" = 50'  
DATE: 07-30-98  
Drawn By: D.R.B.

### NOTE:

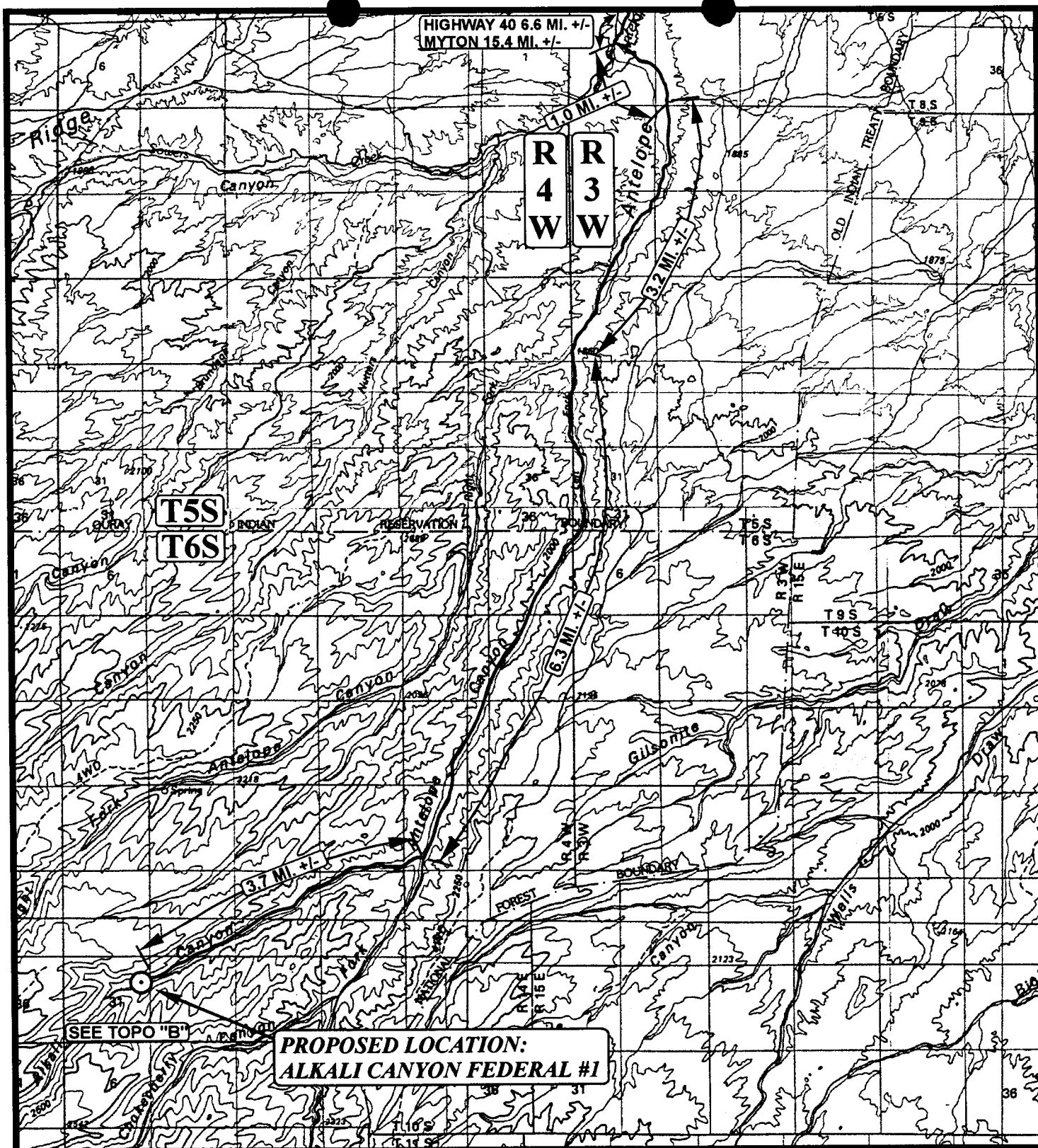
Flare Pit is to be located a min. of 100' from the Well Head.



Elev. Ungraded Ground at Location Stake = 7457.0'

Elev. Graded Ground at Location Stake = 7456.5'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



# LEGEND:

⊙ PROPOSED LOCATION

N



## MEDALLION EXPLORATION

ALKALI CANYON FEDERAL #1  
SECTION 31, T6S, R4W, U.S.B.&M.  
1804' FNL 849' FEL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

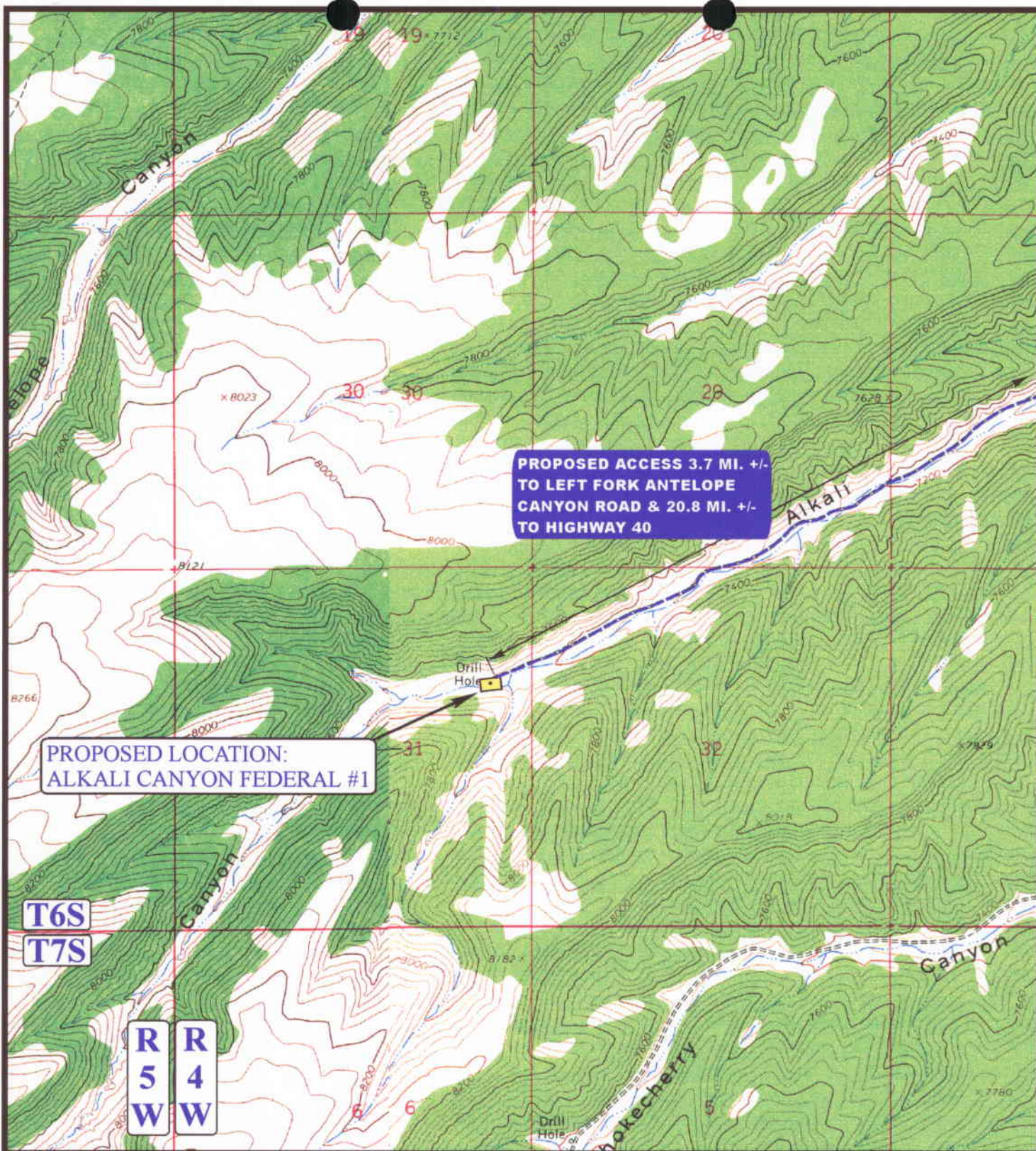
TOPOGRAPHIC  
MAP

7 7 98  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: D.R.B. REVISED: 00-00-00







PROPOSED ACCESS 3.7 MI. +/-  
TO LEFT FORK ANTELOPE  
CANYON ROAD & 20.8 MI. +/-  
TO HIGHWAY 40

PROPOSED LOCATION:  
ALKALI CANYON FEDERAL #1

T6S  
T7S

R  
5  
W  
R  
4  
W

**LEGEND:**

----- PROPOSED ACCESS ROAD  
————— EXISTING ROAD



**MEDALLION EXPLORATION**  
**ALKALI CANYON FEDERAL #1**  
**SECTION 31, T6S, R4W, U.S.B.&M.**  
**1804' FNL 849' FWL**



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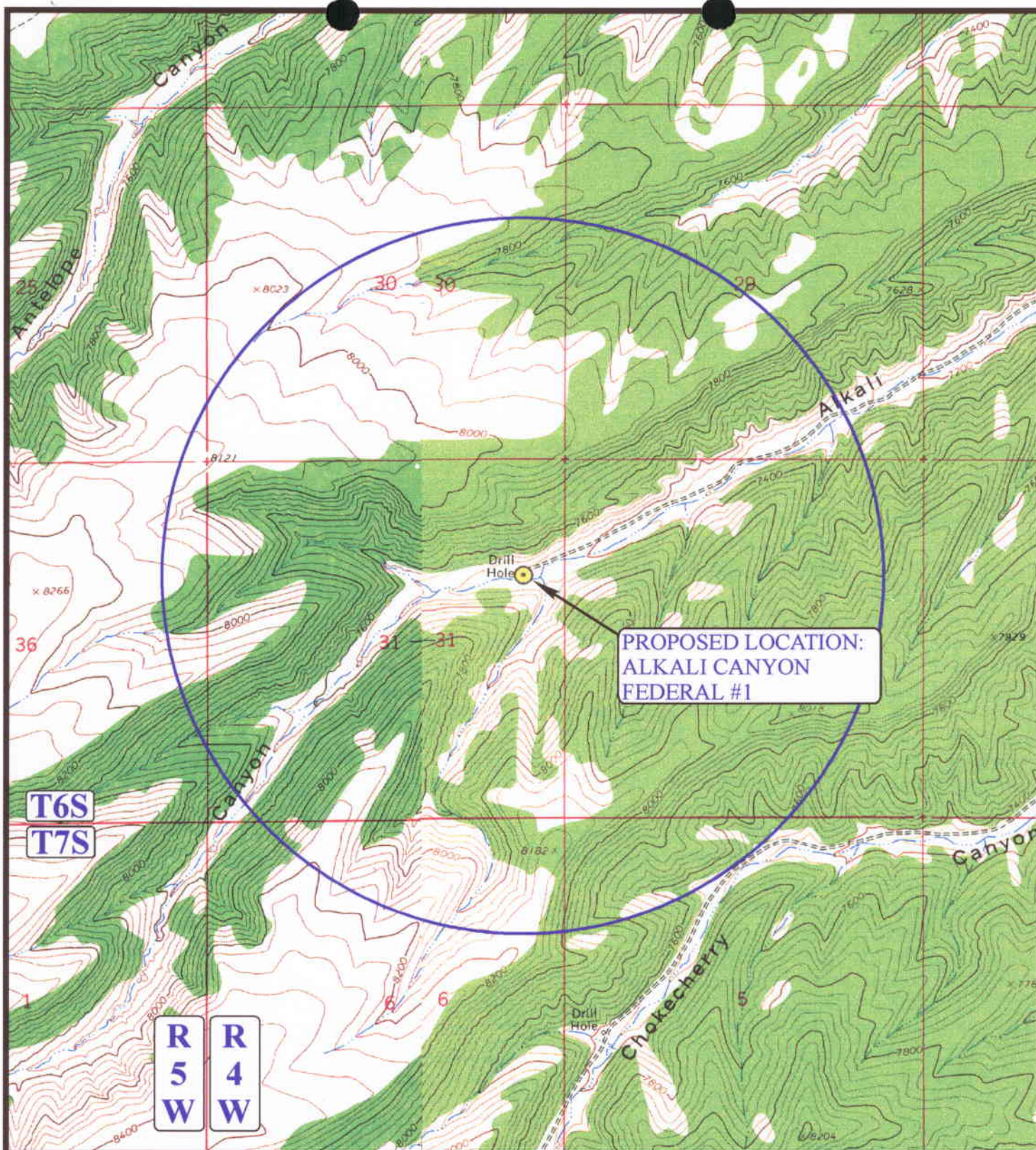
**TOPOGRAPHIC  
MAP**

**7 7 98**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: D.R.B. REVISED: 00-00-00







# LEGEND:

- |                   |                         |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS  | ⊗ WATER WELLS           |
| ● PRODUCING WELLS | ⊕ ABANDONED WELLS       |
| ⊖ SHUT IN WELLS   | ⊖ TEMPORARILY ABANDONED |



# MEDALLION EXPLORATION

**ALKALI CANYON FEDERAL #1**  
**SECTION 31, T6S, R4W, U.S.B.&M.**  
**1804' FNL 849' FEL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**7 7 98**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: D.R.B. REVISED: 00-00-00





WATER RIGHT: 43-1721 CERT. NO.: 5421 AMENDATORY? NO

IT EVIDENCED BY: 43-1721 (A10906) Cert. #5421

ICES; Point of Diversion ( ), Place of Use (X), Nature of Use (X), Reservoir Storage ( ).

3. Richens, Kenneth V. & Barbara U.

CUTNER MISC:

R: BOX 244

STATE: UT ZIP: 84052

INTEREST: 100%

tenants in common

Myton

ENG:	10/12/1995	REC'D BY:	(DMM)	PRIORITY:	10/12/1995	REV DESIG:	10/15/1995	BY:	(RWL)	PAPER:	Wintah Basin
BEGAN:	11/07/1995	PUB ENDED:	11/14/1995	FIRST END:	12/04/1995	PROTESTED:	(No)	PROOF FOR:	12/15/1995	BY:	(DD)
DESIG:	(Approved)	A/R DESIG:	01/24/1996	REG ENG:	(RWL)	APPROP:	(KLT)	MEMO DEC:	(Yes)	APPR/REJECT:	(Approve)
R/REV:	09/27/1996	PROOF DUE:	06/30/2000	EXTENSION:	/ /	ELEC/PROOF:	/ /	ELEC/PROOF:	/ /	ROUGH DRAFT:	/ /
T/WUC:	/ /	LAP. ETC:	/ /	PROV LETR:	/ /	RENOVATE:	/ /				

Case: APP Date Verified: 10/15/1995 Initials: BMA

[illegible]

OK: 2.12 cfa

FLOR: 1.12 cfs R/W:  
Water Right Numbers 43-1721 and  
43-1723 are together limited to the annual  
diversion of 138.37 acre-feet.

TRCE: Babcock Draw  
UNTY: Duchesne

|SOURCE: Babcock Draw  
|COUNTY: Duchesne COM DESC: 2 miles southwest of Myton.

Point of diversion as per certificate:  
North 44 degrees 45 minutes East 2112  
feet from the the SW corner of the  
NW1/4SW1/4 of Sec. 34, T18S, R2W, USB&M.

INT(S) OF DIVERSION . . . . .

SAVE AS HERETCFORE

int Surface:

Diverting Works: concrete diversion box  
Source:

FACE OF USE ----->

CHANGED as follows:

```

--NW4-- --NR4-- --SR4-- --ST4--
|NNSS|NNSS|NNSS|NNSS|
|WEWE|WEWE|WEWE|WEWE|
C 34 T 35 R 2W USBM
* : : *X:X: * : : * : : *

```

--NW4--				--NE4--				--SW4--				--SE4--			
N	N	S	S	N	N	S	S	N	N	S	S	N	N	S	S
W	E	W	E	W	E	W	E	W	E	W	E	W	E	W	E

C 34 T 35 R 2W USBM

ALL T	85	R	11E	SLEB
ALL T	85	R	12E	SLEB
ALL T	85	R	13E	SLEB
ALL T	85	R	14E	SLEB
ALL T	85	R	15E	SLEB
ALL T	85	R	16E	SLEB
ALL T	85	R	17E	SLEB
ALL T	85	R	18E	SLEB
ALL T	85	R	19E	SLEB
ALL T	95	R	11E	SLEB
ALL T	95	R	12E	SLEB
ALL T	95	R	13E	SLEB
ALL T	95	R	14E	SLEB
ALL T	95	R	15E	SLEB
ALL T	95	R	16E	SLEB
ALL T	95	R	17E	SLEB
ALL T	95	R	18E	SLEB
ALL T	95	R	19E	SLEB
ALL T	105	R	11E	SLEB
ALL T	105	R	12E	SLEB
ALL T	105	R	13E	SLEB
ALL T	105	R	14E	SLEB
ALL T	105	R	15E	SLEB

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/10/98

API NO. ASSIGNED: 43-013-20100

WELL NAME: ALKALI CANYON FED 1 (RE-ENTRY)  
OPERATOR: MEDALLION EXPLORATION (N5050)  
CONTACT: Steven Lamb (435) 722-4600

PROPOSED LOCATION:

SENE 31 - T06S - R04W  
SURFACE: 1804-FNL-0849-FEL  
BOTTOM: 1804-FNL-0849-FEL  
DUCHESNE COUNTY  
UNDESIGNATED FIELD (002)

LEASE TYPE: FED  
LEASE NUMBER: UTU-77315  
SURFACE OWNER: Federal

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

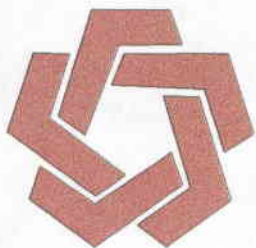
☒ Plat  
☒ Bond: Federal ☒ State ☐ Fee ☐  
(No. UT-1066)  
☒ Potash (Y/N)  
☒ Oil Shale (Y/N) \*190-5(B)  
☒ Water Permit  
(No. 43-1721)  
☒ RDCC Review (Y/N)  
(Date: \_\_\_\_\_)  
N/A St/Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☐ R649-2-3. Unit \_\_\_\_\_  
☒ R649-3-2. General  
☐ R649-3-3. Exception  
☐ Drilling Unit  
Board Cause No: \_\_\_\_\_  
Date: \_\_\_\_\_

COMMENTS: \* Footage Correction "see Survey Plat". (Fr. 1821 FNL 800 FEL)

STIPULATIONS: ① FEDERAL APPROVAL



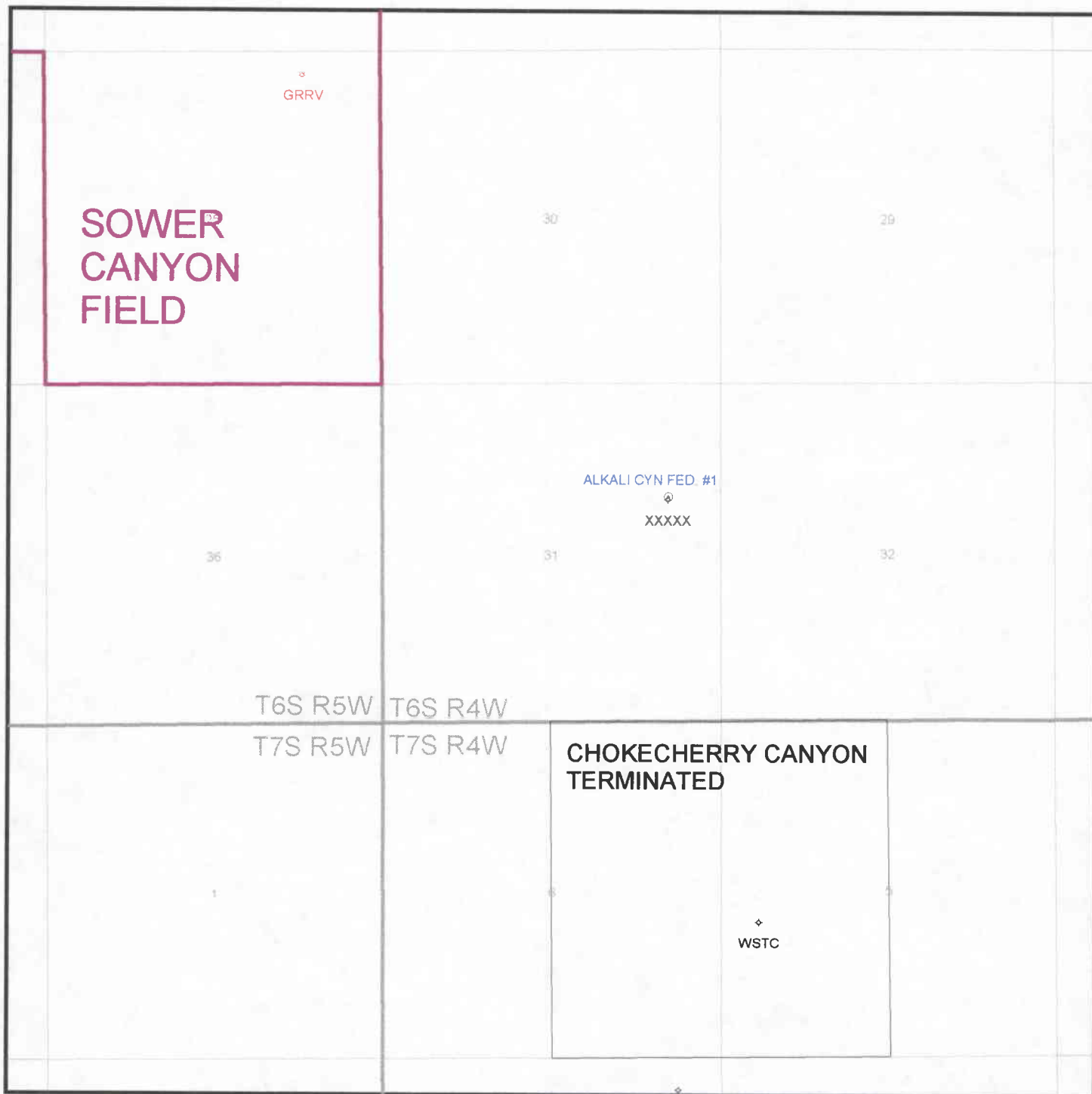
DIVISION OF OIL, GAS & MINING

OPERATOR: MEDALLION EXPLORATION (N5050)

FIELD: UNDESIGNATED (002)

SEC. 31, TWP 6S, RNG 4W

COUNTY: DUCHESNE UAC: R649-3-2 STATEWIDE



DATE PREPARED:  
18-AUG-1998



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Ted Stewart  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

August 20, 1998

Medallion Exploration  
P.O. 1328  
Roosevelt, Utah 84066

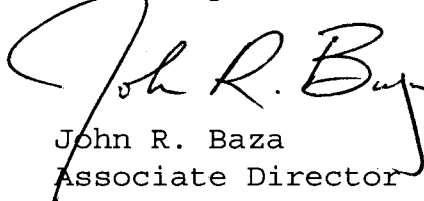
Re: Alkali Canyon Federal #1 Well, 1804' FNL, 849' FEL, SE NE,  
Sec. 31, T. 6 S., R. 4 W., Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-20100.

Sincerely,



John R. Baza  
Associate Director

lwp

Enclosures

cc: Duchesne County Assessor

Bureau of Land Management, Vernal District Office

Operator: Medallion Exploration  
Well Name & Number: Alkali Canyon Federal #1  
API Number: 43-013-20100  
Lease: UTU-77315  
Location: SE NE Sec. 31 T. 6 S. R. 4 W.

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours prior to spudding the well. Contact Jim Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval which must be obtained prior to drilling.

DOGMA

FORM 3160-3\*  
November 1983)  
formerly 9-331C)

SUBMIT IN TRIPLICATE\*  
(Other instructions on  
reverse side)

Form approved.  
Bureau No. 1004-0136  
Expires August 31, 1985

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

a. TYPE OF WORK DRILL <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			7. UNIT AGREEMENT NAME		
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. FARM OR LEASE NAME ALKALI CANYON FEDERAL		
2. NAME OF OPERATOR Medallion Exploration			9. WELL NO. #1		
3. ADDRESS OF OPERATOR P.O. Box 1328 Roosevelt, Utah 84066 435-722-4600			10. FIELD AND POOL OR WILDCAT WILDCAT		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) Surface 1804' FNL AND 849' FEL, SE/NE, SEC. 31 proposed Prod. Zone 43-013-20100			11. SEC., T., R., M., or BLK. AND SURVEY OR AREA SEC. 31, T6S, R4W		
4. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 29.6			12. COUNTY OR PARISH DUCHESE		13. STATE UTAH
5. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1992.5'		16. NO. OF ACRES IN LEASE 2,222.74		17. NO. OF ACRES ASSIGNED TO THIS WELL 640	
6. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. APPROX. 4 MILES		19. PROPOSED DEPTH 4950'		20. ROTARY OR CABLE TOOLS ROTARY	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7457'			22. APPROX. DATE WORK WILL START* UPON APPROVAL AND AVAILABILITY OF RIG		
3. PROPOSED CASING AND CEMENTING PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
12 1/4"	8 5/8"	24	296'	225 SKS. Pumped Dec. 1966	
7 7/8"	5 1/2"	15	5100'	370 SKS. Pumped Dec. 1966	

Medallion exploration proposes to cut off dry hole marker and install 11"x 3 M casing and 7 1/16"x 5M tubing spools.  
Drill out cement plugs and CIBPs down to 4950'. Perforate and test several zones in the Greenriver formation.  
If well is completed as a producer then a sundry well be sent showing where surface equipment is to be set.  
If well is not a producer when well will be plugged and location reclaimed as per USFS and BLM recommendations.

RECEIVED  
AUG 10 1998

This APD is also a request for a right of way.

All operations will be covered under Medallion Explorations federal bond #UT-1066

- c: 2- USFS Vernal
- c: 3- BLM Vernal
- c: 2- State of Utah Div. Of Oil, Gas and Mining

RECEIVED  
OCT 21 1998  
DIV. OF OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSE DRILLING PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone.  
If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE FIELD SUPERINTENDENT DATE 8/6/98

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE)

NOTICE OF APPROVAL

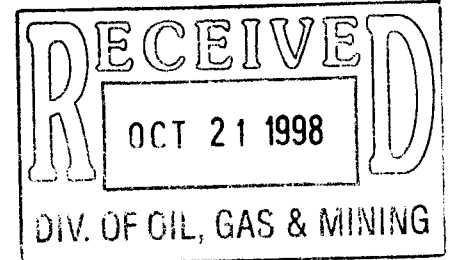
CONDITIONS OF APPROVAL ATTACHED  
TO OPERATOR'S COPY

PERMIT NO. APPROVAL DATE

APPROVED BY [Signature] ASSISTANT FIELD Manager DATE OCT 05 1998  
CONDITIONS OF APPROVAL IF ANY

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL



Company/Operator: Medallion Exploration

Well Name & Number: Alkalai Canyon Fed. 1

API Number: 43-013-20100

Lease Number: U-77317

Location: SENE Sec. 31 T. 06S R. 04W

**NOTIFICATION REQUIREMENTS**

- |                                 |   |   |
|---------------------------------|---|---|
| Location Construction           | - | at least forty-eight (48) hours prior to construction of location and access roads.   |
| Location Completion             | - | prior to moving on the drilling rig.  |
| Spud Notice                     | - | at least twenty-four (24) hours prior to spudding the well.   |
| Casing String and Cementing     | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings.   |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests.   |
| First Production Notice         | - | within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

## CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative by the operator to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

### A. DRILLING PROGRAM

#### 1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report **ALL** water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

#### 2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment for a **2M** system and individual components shall be operable as designed.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

#### 3. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.



5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. One copy of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours **prior** to spudding the well.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9. d.), and shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b. 4).

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted following initial installation and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approval or notification is necessary, please contact one of the following individuals:

Wayne Bankert (801) 789-4170  
Petroleum Engineer

Ed Forsman (801) 789-7077  
Petroleum Engineer

Jerry Kenczka (801) 789-1190  
Petroleum Engineer

BLM FAX Machine (801) 781-4410

## EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

- Unused fracturing fluids or acids
- Gas plant cooling tower cleaning wastes
- Painting wastes
- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- Drums, insulation and miscellaneous solids.

## SURFACE CONDITIONS OF APPROVAL

The location was reflagged following the onsite and the changes are shown on the layout diagram of the APD. The site specific analysis has determined that the site proposed for the drilling at ALKALI CANYON FEDERAL #1 well has been previously disturbed with drilling activities. Minimal additional surface disturbance will occur. For the pad construction and drilling activities it has also been determined that no cultural resources or T&E plants or animals will be affected.

The main Forest Service Representative for this project will be Clarice Gilbert of the Duchesne Office. If you have any questions for the Forest Service contact her or Joe Bistryski who is the District Ranger there at (435) 738-2482.

The old well location will be levelled by scraping existing vegetation and stockpiling topsoil.

If the well is not completed as a producer it will be plugged, all equipment will be removed. The site will be reshaped and topsoil will be respread and the sites revegetated. This revegetation reclamation would be done according to Forest Service specifications. The following seed mix was approved for the project reclamation in Forest Service's letter of August 7, 1998:

Alkali Canyon Federal #1	lbs/acre
Goldar Bluebunch Wheatgrass	3
Fairway Crested Wheatgrass	3
Thickspike Wheatgrass	3
Russian Wildrye	3

At this location a flare pit/workover pit will be required for the reentry procedures. If the well is a producer check with the Forest Service about reclamation for the pit and any no longer needed parts of the pad. Forest Service requests that topsoil storage areas be reseeded if production is established, otherwise, the entire site will be reclaimed the same season.

A pad 160 feet by 215 feet is shown in the APD. An existing access road of about 3.7 miles will require repair and maintenance to accommodate equipment for drilling and water trucks. This road is not to be bladed wider than 14 feet for drilling operations. Turnouts may be provided for passing and will be flagged by the Forest Service upon request.

The water trough at Cedar Spring which is at the edge of the proposed pad will be moved 150 feet or more to the East of the drill pad to mitigate impacts to livestock and wildlife obtaining water. The Forest Service will flag a new location for the water trough.

If the well is completed as a producer a sundry notice will be submitted showing where surface equipment will be set for long term production. Then existing roads may need to be widened and upgraded and 4-inch flowlines would be installed next to the roadway. At that time additional cultural resource and TES wildlife surveys will be required and additional mitigation measures applied as necessary/if necessary. This would be done as consistent with the Western Uinta Basin Oil and Gas Leasing EIS of 1997. The DECISION MEMO states:

"This proposed action is consistent with the management direction and guidelines as specified in the Ashley National Forest Plan of 1986 as amended by the Western Uinta Basin Oil and Gas Leasing EIS of 1997."

No significant issues within the scope of this proposal or extraordinary circumstances were identified during the scoping process.

For drilling operations:

The present 3.7 mile road will be bladed no more than 14 feet wide and maintained to accomodate rig traffic and water trucks. This well is about 4.0 miles Southwest of the Left Fork Antelope #1 well and from there both wells would share existing roads for access.

For production and producing locations:

-Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, and crowning (2 to 3%). Graveling or capping the roadbed will be required as necessary to provide a well constructed safe road. Prior to construction/upgrading, the proposed road surface or existing road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Should mud holes develop, they shall be filled in to prevent detours. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainage be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. When snow is removed from the road during the winter months, the snow should be pushed outside of the burrow ditches and the turn outs should be kept clear so that when the snow melts the water will be channeled away from the road.



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal Field Office  
170 South 500 East  
Vernal, Utah 84078-2799  
<http://www.blm.gov/utah/vernal>

Phone: (435) 781-4400  
Fax: (435) 781-4410

IN REPLY REFER TO:

3160  
UT08300

October 18, 1999

Medallion Exploration  
P O Box 1328  
Roosevelt, UT 84066

Re: Notification of Expiration  
Well No. Alkali Canyon 1  
SENE, Sec. 31, T6S, R4W  
Lease No. U-77317

*LA*  
*Re-entry only*

Dear Mr. Lamb:

*43-013-20100*

The Application for Permit to Drill the above-referenced well was approved on October 5, 1998. Since that date, no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

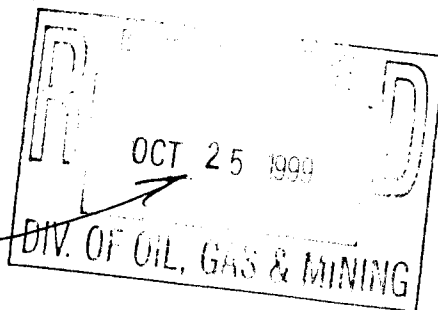
*Margie Herrmann*

Margie Herrmann  
Legal Instruments Examiner

cc: State Div. OG&M  
U.S. Forest Service

*Re-entry*

*DOG-M*  
*Rescind*  
*DATE*



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Form approved.  
Budget Bureau No. 1004-0136  
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.  
UTU-77317

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL ☐ DEEPEEN ☒ PLUG BACK ☐

1b. TYPE OF WELL  
OIL WELL ☐ GAS WELL ☒ OTHER ☐  
SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR  
Medallion Exploration

3. ADDRESS OF OPERATOR  
6975 Union Park Center, Ste. 310 Midvale, Utah 84047

4. LOCATION OF WELL. (Report location clearly and in accordance with any State requirements.)

At Surface SENE 1804' FNL & 849' FEL

At proposed Prod. Zone

4418739 N  
553802 E

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
ALKALI CANYON FEDERAL

9. WELL NO.  
#1

10. FIELD AND POOL OR WILDCAT  
WILDCAT

11. SEC., T., R., M., or BLK.  
AND SURVEY OR AREA  
SEC. 31, T6S, R4W

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
29.6

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY  
OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
1992.5

16. NO. OF ACRES IN LEASE  
2,222.74

17. NO. OF ACRES ASSIGNED TO THIS WELL  
640'

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL,  
DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.  
APPROX 4 MILES

19. PROPOSED DEPTH  
3305'

20. ROTARY OR CABLE TOOLS  
ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
7457'

22. APPROX. DATE WORK WILL START\*  
UPON APPROVAL AND AVAILABILITY OF RIG

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24	296'	225 SKS PUMPED 12/1966
7-7/8"	5-1/2"	15	5100'	370 SKS PUMPED 12/1966

Medallion Exploration proposes to cut off dry hole marker and install 11" x 3 M casing and 7-1/16" x 5 M tubing spools.  
Drill out cement plugs and CIBPs down to 4950'. Perforate and test several zones in the Greenriver formation.  
If well is completed as a producer then a sundry will be sent showing where surface equipment is to be set.  
If well is not a producer then well will be plugged and location reclaimed as per USFS and BLM recommendations.

All operations will be covered under Medallion Explorations Federal Bond # UT-1066.

This APD is also a request for Right-of-Way

3-BLM, Vernal  
CC: 2 USFS, Vernal  
CC: 2 Utah Div. Of Oil, Gas, and Mining

Federal Approval of this  
Action is Necessary

RECEIVED

MAY 21 2001

DIVISION OF  
OIL, GAS AND MINING

IN ABOVE SPACE DESCRIBE PROPOSE DRILLING PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone.  
If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE Production Assistant

DATE

5/17/01

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE.)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE BRADLEY G. HILL  
RECLAMATION SPECIALIST III

DATE

05-29-01

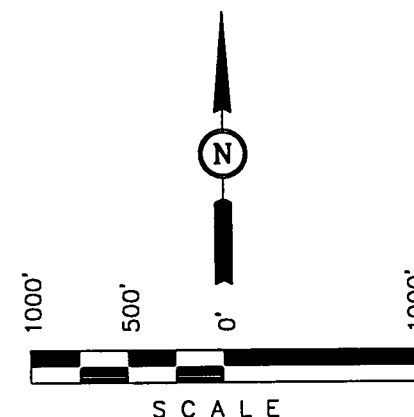
T6S, R4W, U.S.B.&M.

# MEDALLION EXPLORATION

Well location, ALKALI CANYON FEDERAL #1, located as shown in the SE 1/4 NE 1/4 of Section 31, T6S, R4W, U.S.B.&M. Duchsene County, Utah.

## BASIS OF ELEVATION

TRIANGULATION STATION GILSONITE LOCATED IN SE 1/4 OF SECTION 13, T6S, R4W, U.S.B.&M. TAKEN FROM THE ANTHRO MTN. NE, QUADRANGLE, UTAH, DUCHSENE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7370 FEET.



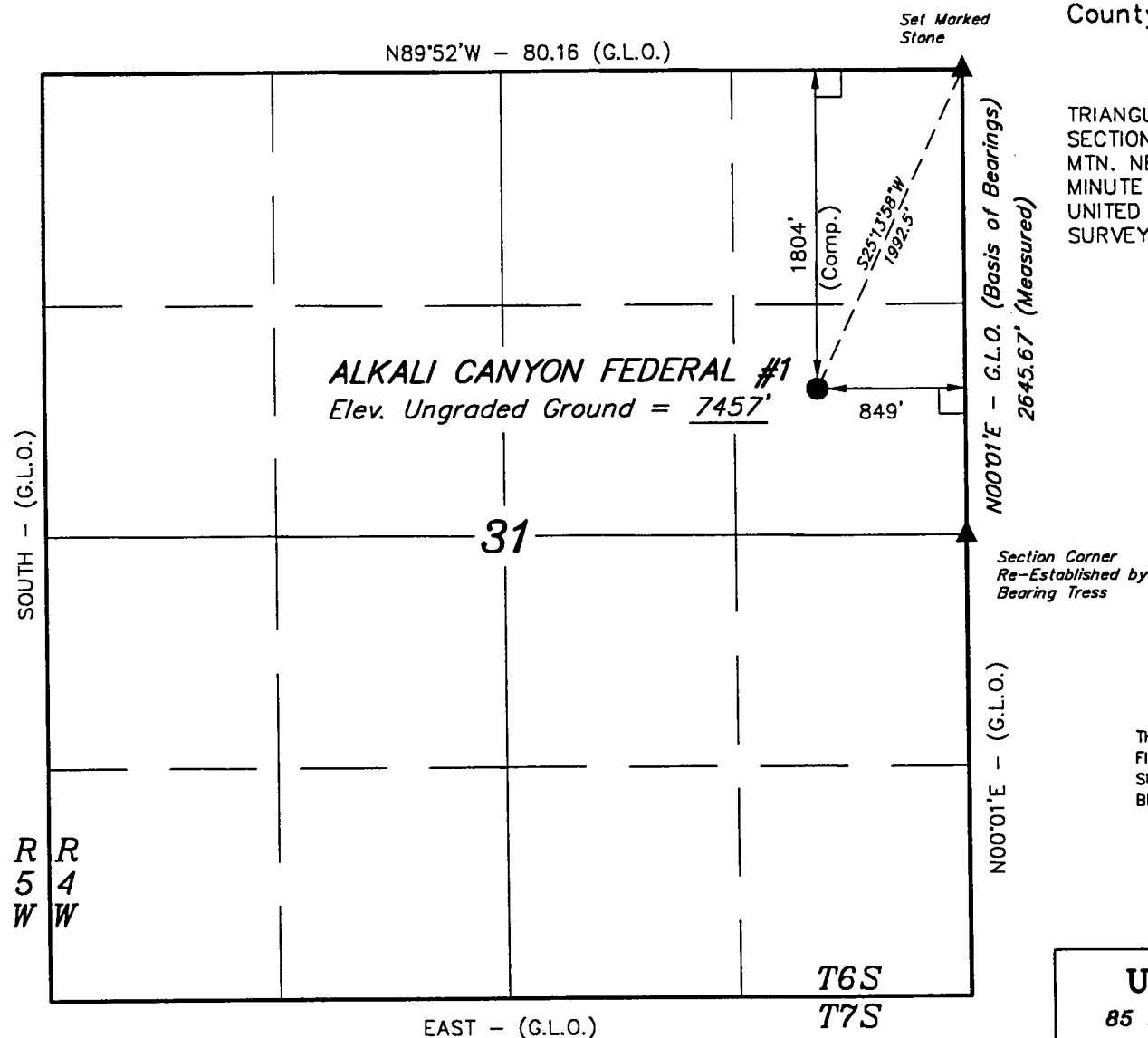
## CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME, OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR  
REGISTRATION NO. 181319  
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

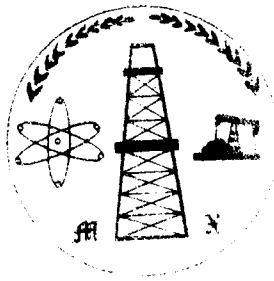
SCALE 1" = 1000'	DATE SURVEYED: 07-02-98	DATE DRAWN: 07-06-98
PARTY D.K. P.R. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE MEDALLION EXPLORATION	



## LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.





## Medallion Exploration

May 17, 2001

State of Utah  
Division of Oil, Gas & Mining  
Attn: Gil Hunt  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

Re: Re-submission of APD's

Dear Mr. Hunt:

I have enclosed for your information, copies of the APD's I am re-submitting to the BLM and Ashley Forest Service. All related well information remains the same, but the mailing address and contact person has changed and is referenced on the new Application for Permit to Drill.

If you have any questions, please contact me at (801) 566-7400. Thank you for your help in this matter.

Sincerely,

RaSchelle Richens  
Medallion Exploration

**RECEIVED**

MAY 21 2001

DIVISION OF  
OIL, GAS AND MINING

**DECISION MEMO**

**Medallion Exploration  
Oil and Gas Exploration**

**Ashley National Forest  
Duchesne Ranger District  
Duchesne County, Utah**

I have decided to authorize a proposal from Medallion Exploration of Roosevelt, UT for oil and gas exploration on the Ashley National Forest. The proposal is to re-enter and test three existing oil and gas wells as follows:

Antelope Creek #1 - NENE, Section 24, T6S, R4E, USM  
Left Fork Antelope #1 - NESW, Section 23, T6S, R4E, USM  
Alkali Canyon Federal #1 - SENE, Section 31, T6S, R4E, USM.

The proposed activity will include leveling the existing well pad by scraping existing vegetation and stockpiling topsoil. A drilling rig will be located over the existing well to drill out the well plugs, perforate the well casing and test several zones for oil and gas production. The well pads will include mud pump and tanks, flare pit, pipe racks, trailer, toilet, storage tank, and trash bin.

If the wells are not completed as producers they will be plugged, all equipment will be removed, the sites will be reshaped, topsoil will be spread and the sites revegetated.

If the wells are completed as producers a sundry notice will be submitted showing where surface equipment will be set for long term production. Existing roads may need to be widened and 4 inch pipelines would be installed next to the roadway. At that time additional cultural resource and TES wildlife surveys will be required and additional mitigation measures will be applied as necessary.

The Western Uinta Basin Oil and Gas Leasing FIS was completed in 1997 disclosing the effects of oil and gas activities in this area. The Record of Decision determined which lands within the analysis area would be available for oil and gas leasing and what stipulations would be attached to the leases. That decision requires that an additional site specific analysis be completed when activities are proposed.

Medallion Exploration has since acquired leases for the areas they propose to drill. The site specific analysis has determined that the sites proposed for drilling have previously been disturbed during drilling activities. Minimal additional surface disturbance will occur. It has also been determined that no cultural resources or T&E plants or animals will be affected.

Project scoping included letters mailed to interested and affected individuals and groups, and a news release in the Uintah Basin Standard. One comment was received. That comment was in favor of re-entering the existing wells instead of drilling new wells.

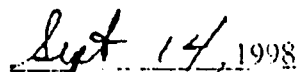
This proposed action is consistent with the management direction and guidelines as specified in the Ashley National Forest Plan of 1986 as amended by the Western Uinta Basin Oil and Gas Leasing EIS of 1997.

No significant issues within the scope of this proposal or extraordinary circumstances were identified during the scoping process. Therefore, this action falls within Category 8 [Short term mineral, energy, or geophysical investigations and their incidental support activities that may require...construction of less than one mile of low standard road, or use and minor repair of existing road, (FSH 1909.15, Section 31.2)] and is categorically excluded from documentation in an environmental impact statement or an environmental assessment.

This decision may be implemented immediately. This decision is not is not subject to appeal pursuant to 36 CFR Part 215.8 (a) (4).

For further information concerning this decision, please contact Joe Bistryski at the Roosevelt/Duchesne Ranger District, P.O. Box 981, Duchesne UT 84021 or phone (435) 738-2482.

  
JOE BISTRYSKI  
District Ranger

  
Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

REMIT OF TRIPLICATE  
(Other instructions on  
reverse side)

Form approved  
Bureau No. 1004 0130  
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a TYPE OF WORK DRILL ☐ RE-ENTRY ☐ DEEPEN ☐ PLUG BACK ☐

1b TYPE OF WELL  
OIL ☐ GAS ☐ SINGLE ZONE ☐  
WELL ☒ WELL ☐ OTHER ☐ MULTIPLE ZONE ☐

2 NAME OF OPERATOR

3. LEASE DESIGNATION AND SERIAL NO

4. IF INDIAN, ALLOTTEE OR TRIBE NAME

5. UNIT AGREEMENT NAME

6. FARM OR LEASE NAME

7. WELL NO.

8. PIPE AND POOL OR WILDCAT

9. APPROX. DATE WORK WILL START

10. UPON APPROVAL AND AVAILABILITY OF RIG

11. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY

12. NO. OF ACRES IN LEASE

13. NO. OF ACRES ASSIGNED TO THIS WELL

14. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL

15. PROPOSED DEPTH

16. ROTARY OR CABLE TOOLS

17. APPROX. DATE WORK WILL START

18. UPON APPROVAL AND AVAILABILITY OF RIG

19. ELEVATIONS (Show whether DE, RT, OR, OR)

20. PROPOSED CASING AND CEMENTING PROGRAM

21. QUANTITY OF CEMENT

22. MEDALLION EXPLORATION PROPOSES TO CUT OFF DRY HOLE MARKER AND INSTALL 11"x3 M CASING AND 7 1/16"x5 M TUBING SPOOLS.

23. DRILL OUT CEMENT PLUGS AND CIBPS DOWN TO 4950'. PERFORATE AND TEST SEVERAL ZONES IN THE GREENRIVER FORMATION.

24. IF WELL IS COMPLETED AS A PRODUCER THEN A SUNDRY WELL BE SENT SHOWING WHERE SURFACE EQUIPMENT IS TO BE SET.

25. IF WELL IS NOT A PRODUCER WHEN WELL WILL BE PLUGGED AND LOCATION RECLAIMED AS PER USFS AND BLM RECOMMENDATIONS

26. THIS APD IS ALSO A REQUEST FOR A RIGHT OF WAY.

27. ALL OPERATIONS WILL BE COVERED UNDER MEDALLION EXPLORATION'S FEDERAL BOND #UT-1000

28. c: 2- USFS Vernal

29. c: 3- BLM Vernal

30. c: 2- State of Utah Div. Of Oil, Gas and Mining

31. IN ABOVE SPACE DESCRIBE PROPOSED DRILLING PROGRAM. If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone.

32. If proposal is to drill or deepen dry hole, give pertinent data on surface locations and measured and true vertical depths. Give blowout prevention program, if any.

33. SIGNED

34. TITLE

35. DATE

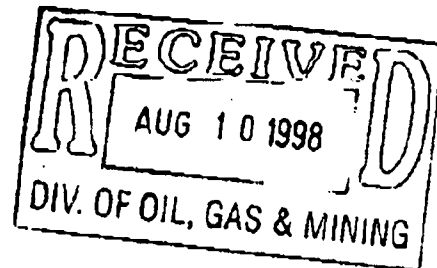
36. (THIS SPACE FOR FEDERAL OR STATE OFFICE USE)

37. PERMIT NO.

38. APPROVAL DATE

39. SPECIAL AGENT IN CHARGE

40. THE UNITED STATES OF AMERICA makes it a crime for any person knowingly and willfully to make, to any department or agency of the United States, any



55-7816-6  
11419721

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

REQUIRE IN TRIPLICATE  
(Other instructions on  
reverse side)

Form approved.

Order Bureau No. 1004-0136  
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK DRILL ☐ RE-ENTRY ☐ DEEPEN ☐ PLUG BACK ☐

2. TYPE OF WELL  
OIL ☐ GAS ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐  
WELL ☒ WELL ☐ OTHER ☐

3. NAME OF OPERATOR  
Medallion Exploration

4. ADDRESS OF OPERATOR  
P.O. Box 1328 Roosevelt, Utah 84066 435-722-4600

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements \*)

A. Surface 1904' ENL. AND 840' FEL, STONE, SECT. 31

At proposed Prod. Zone

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE  
29.6

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any)  
1992.5'

8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.  
APPROX. 4 MILES

9. ELEVATIONS (Show whether OF, RT, GR, etc.)  
7457'

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	6 5/8"	24	296'	225 SKS. Pumped Dec. 1966
7 7/8"	6 1/2"	16	5100'	370 SKS. Pumped Dec. 1966

Medallion exploration proposes to cut off dry hole marker and install 11" x 3 M casing and 7 1/16" x 5M tubing spools. Drill out cement plugs and CIBPs down to 4950'. Perforate and test several zones in the Greenriver formation. If well is completed as a producer then a sundry well be sent showing where surface equipment is to be set. If well is not a producer when well will be plugged and location reclaimed as per USFS and BLM recommendations.

RECEIVED

AUG 10 1988

This APD is also a request for a right of way.

All operations will be covered under Medallion Explorations federal bond #UT-1056

c: 2- USFS Vernal  
c: 3- BLM Vernal  
c: 2- State of Utah Div. Of Oil, Gas and Mining

1. ABOUT SPACE DESCRIBE PROPOSED DRILLING PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24. SIGNED Steve Hand TITLE FIELD SUPERINTENDENT DATE 8/8/88

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE)

NOTICE OF APPROVAL

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

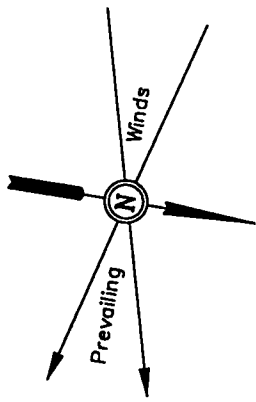
APPROVED BY Ang Kung ACTING Assistant Field Manager DATE OCT 05 1988  
POSITION OR APPROVAL \_\_\_\_\_

7. The U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

# MEDALLION EXPLORATION

## LOCATION LAYOUT FOR

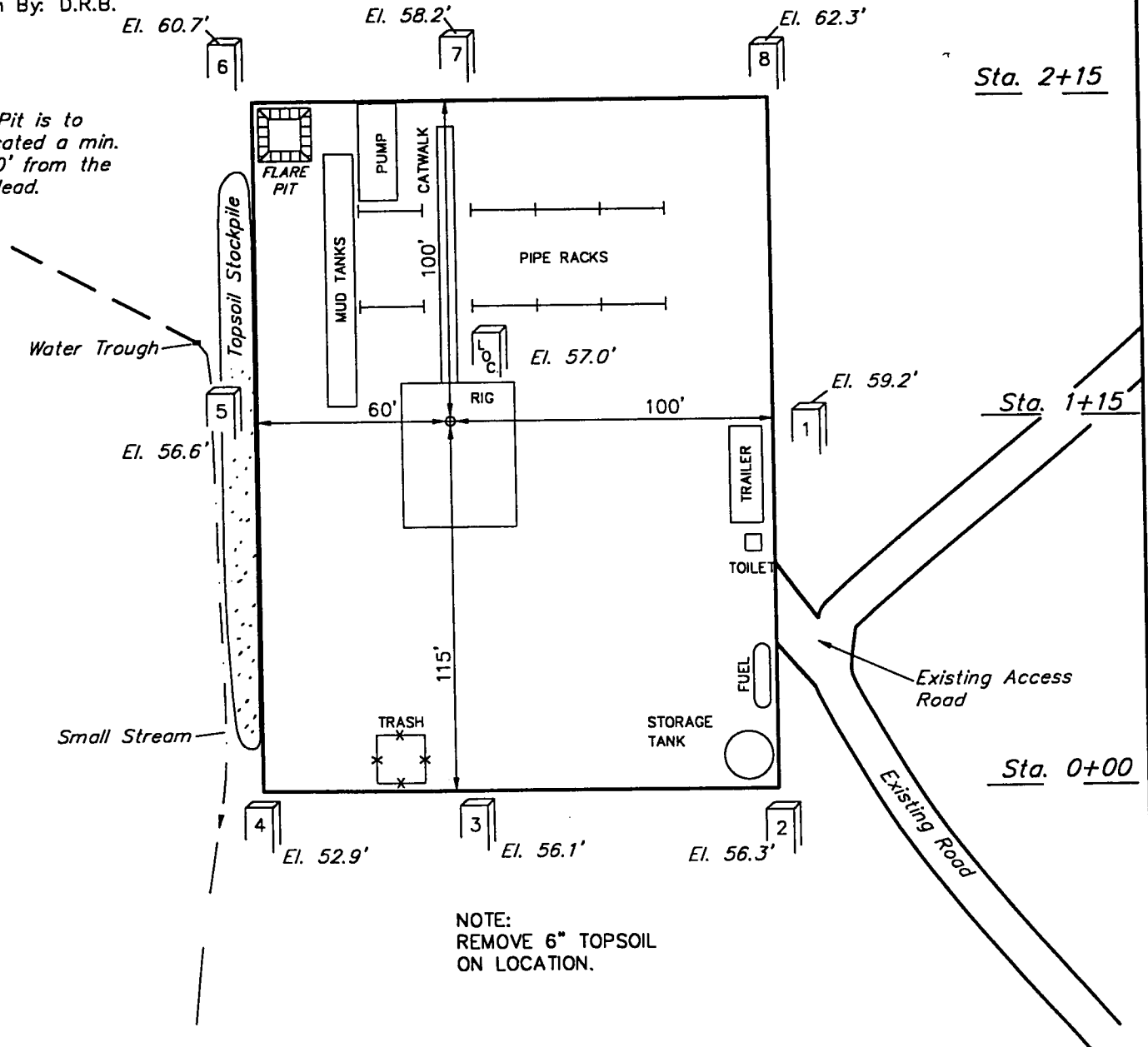
ALKALI CANYON FEDERAL #1  
SECTION 31, T6S, R4W, U.S.B.&M.  
1804' FNL 849' FEL



SCALE: 1" = 50'  
DATE: 07-30-98  
Drawn By: D.R.B.

### NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



NOTE:  
REMOVE 6" TOPSOIL  
ON LOCATION.

Elev. Ungraded Ground at Location Stake = 7457.0'

Elev. Graded Ground at Location Stake = 7456.5'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

**ONSHORE ORDER NO 1**  
**MEDALLION EXPLORATION, INC.**  
Alkali Canyon Federal Lease No. 77317  
 1804' SNL and 849' WEL  
 SE NE Sec 31, T6S - R4W  
 Duchense County, Utah

**DRILLING PROGRAM**

**ONSHORE OIL & GAS ORDER NO. 1**  
**Approval of Operations on Onshore**  
**Federal and Indian Oil and Gas Leases**

All Lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Green River	Surface	+7457'
Tgr3 Marker	2553'	+4904'
K Marker	3380'	+4077'
CP70	3930'	+3527'
Wasatch	4900'	+2557'
T.D.	5100'	+2357'

2. **Estimated Depth of Anticipated Water, Oil, Gas or Minerals Formation**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas & Oil	Greenriver	2200' - 4800'
Gas & Oil	Wasatch	4900'

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

**ONSHORE ORDER NO 1**  
**MEDALLION EXPLORATION, INC.**  
Alkali Canyon Federal Lease No. 77317  
 1804' SNL and 849' WEL  
 SE NE Sec 31, T6S - R4W  
 Duchense County, Utah

**DRILLING PROGRAM**

Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

- a. The size and rating of the BOP stack need not be shown on a diagram., most of the equipment for this depth of hole in the area use a 3000 psi working pressure blowout preventor.
- b. The accumulator system shall have a pressure capacity to provide for repeated operations of hydraulic preventers.
- c. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

**4. proposed Casing and Cementing Program:**

- a. All indications of usable water shall be reported.
- b. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- c. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not exceed 70 percent of the minimum internal yield. If pressure declines more than 1- percent in 30 minutes, corrective action shall be taken.
- d. The casing in the well was run as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>NEW Or Used</u>
Surface	0-296'	12-1/4"	9-5/8"	24 #	J-55 ?	ST&C ?	New
Produc.	0-5100'	7 7/8"	5-1/2"	15 #	J-55 ?	LT&C ?	New*



ONSHORE ORDER NO 1  
MEDALLION EXPLORATION, INC.  
Alkali Canvon Federal Lease No. 77317  
1804' SNL and 849' WEL  
SE NE Sec 31, T6S - R4W  
Duchense County, Utah

**DRILLING PROGRAM**

- e. The cement program was pumped as follows:

<u>Surface</u>	<u>Type and Amount</u>
0-296'	225 sks class G.
 <u>Production</u>	 <u>Type and Amount</u>
	370 sks class G pumped Dec. 1966

- f. The following reports shall be filed with the District Manager within 30 days after the work is completed.
1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
    - a. Weekly progress report. Show the spud date on the first reports submitted.
- g. Auxiliary equipment to be used is as follows:
1. Kelly cock
  2. No bit float is deemed necessary.
  3. A sub with a full opening valve.

ONSHORE ORDER NO 1  
 MEDALLION EXPLORATION, INC.  
Alkali Canyon Federal Lease No. 77317  
 1804' SNL and 849' WEL  
 SE NE Sec 31, T6S - R4W  
 Duchense County, Utah

## DRILLING PROGRAM

### 5. Mud Program:

- a. The proposed circulating mediums to be employed in drilling are as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-4950'	3% KCL	8.4-8.6	N/C	NC	N/C

Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations.

- b. Mud monitoring equipment to be used is as follows:

1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.

- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

- e. The use of materials under BLM & USFS jurisdiction will conform to 43 CFR 3610.2-3.

### 6. Evaluation Program:

The anticipated type and amount of testing, logging and coring are as follows:

- a. No drill stem tests are anticipated, however, if they are run the following will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DST's may be accomplished day or night.

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**Duchense County, Utah**

**DRILLING PROGRAM**

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program consisted of a CBL, CCL and Gramaray from 5100' to cement top.
- c. No cores will be taken.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program is as follows:  
Perforate and test several zones in the Greenriver formation. Sand frac if necessary.
- f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

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7. **Abnormal Temperatures of Pressures**
  - a. No abnormal temperatures or pressures are anticipated. No H<sub>2</sub>S has been encountered in or known to exist from previous wells drilled to similar depths in the general area.
  - b. The maximum anticipated bottom hole pressure will be approximately 1100 psi at T.D.
  
8. **Anticipated Starting Dates and Notification of Operations:**
  - a. Drilling will commence immediately upon approval of this application and the availability of a rig.
  - b. It is anticipated that the re-entry of this well will take approximately 3 days and completion approximately 15 days.
  - c. The Vernal District Office shall be notified, during regular work hours (7:45 a.m. - 4:30 p.m., Monday through Friday except holidays), at least 24 hours prior to spudding the well.
  - d. Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.
  - e. The date on which productions is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

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- f. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operation may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.
- g. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the A.O. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- h. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular workday. The oral report will be followed up with a Sundry Notice.
- i. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- j. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- k. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

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- l. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- m. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- n. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- o. A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3 and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.
- p. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- q. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
- r. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with

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applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

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**SURFACE USE PLAN****1. Existing Roads**

- a. The proposed well site is located approximately 29.6 miles southwest of Myton, Utah.
- b. Directions to the location from Myton, Utah is as follows:  
  
Proceed in a southwesterly direction from Myton along highway 40 approximately 8.8 miles to the junction of this road and an existing road to the south. Turn left and proceed in a southerly then southwesterly direction along the Antelope Canyon road approximately 6.6 miles to the junction of this road and an existing road to the southeast; turn left and proceed in a southeasterly, then southwesterly direction approximately 4.2 miles to the junction of this road and an existing road to the south; then turn left and proceed in a southerly direction approximately 6.3 miles to the beginning of the proposed access road to the southeast; follow road flags in an southwesterly direction approximately 3.7 miles to the proposed location.
- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Improvement to the existing access will not be necessary. If the well is completed as a producer then the 3.7-mile access road will be up graded to meet SMA standards. The access road will only be flat bladed for the re-entry of this well.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

**2. Planned Access Roads**

- a. Approximately 3.7 miles of access road will need to be flat bladed shown on Map A.
- b. The maximum grade of the new construction will be approximately 2%.
- c. No turnouts are planned.
- d. No low water crossings will be necessary. There are no major cuts and fills. No culverts and/or bridges will be required.



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**SURFACE USE PLAN**

- e. The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.
- f. No cattle guards will be installed.
- g. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- h. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. (1989).
- i. If well is completed as a producer the road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainage's be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- j. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produce, stored, transported, or disposed of in association with the drilling of this well.
- l. A right of way will be necessary for access roads and pipeline located outside of Lease No. UTU-77317. Total length of the right of way will be approximately 5.4 miles. An additional 3549' is located within the lease. Right of Way may be issued to the wellhead if preferred by your office.

For location of right of way, please see Map "A" attached. The following USFS acreage will be affected:

**T6S-R4W**

Sec. 29:

Sec. 28:

Sec. 25

There are no related structures or facilities planned at this time.

The right of way is requested for 30 years or the entire life of the producing well, whichever is longer.

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The road will be used year-round for maintenance of production facilities. Only flat blading of the existing roadway will be required at this time. No temporary work areas will be needed.

Attached is the application and monitoring fee in the amount of \$175.00.

3. **Location of Existing Wells Within a 1-Mile Radius of the Proposed Location.**  
**(See Map #C).**

- a. Water wells - none.
- b. Injection wells - none
- c. Producing wells - none
- d. Drilling wells - none
- e. Shut-in wells - none
- g. Disposal wells - none
- h. Abandoned wells - none
- i. Dry Holes- none

4. **Location of Tank Batteries and Production Facilities.**

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Desert Tan (10YR6/3). All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.
- b. If storage facilities/tank batteries are constructed on this lease, the facility, battery, or the well pad shall be surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

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- c. A Sundry Notice will be submitted showing placement of all production facilities prior to construction.
- d. All loading lines will be placed inside the berm surrounding the tank battery.
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flow line will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.
- f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.
- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.
- h. Any necessary pits will be properly fenced to prevent any wildlife entry.
- i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- j. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- l. The road will be maintained in a safe useable condition.

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**SURFACE USE PLAN****5. Location and Type of Water Supply**

- a. All water needed for re-entry purposes will be obtained from Kenneth and Barbara Richens permit # 43-1721. Located in Sec. 34, T3S, R2W. A copy of the permit identifying the permit number and point of diversion is attached.
- b. Water will be hauled to location over the roads marked on Maps A and B.
- c. No water well is to be drilled on this lease.

**6. Source of Construction Material**

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. The use of materials under BLM or USFS jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.

**7. Methods of Handling Waste Disposal**

- a. No reserve pit will be constructed for this re-entry.
- b. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- c. After first production, produced wastewater will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No.7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

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- d. Drill cuttings are to be contained and buried in the flare pit.
- e. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- f. A chemical porta-toilet will be furnished with the drilling rig.
- g. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.

8. Ancillary Facilities

There are no airstrips, camps or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. The operator or his/her contractor shall contact the USFS Office at 435-789-1181 forty-eight--(48) hours prior to construction activities.
- b. The flare pit will be located on the southwest side of the location.
- c. The flare pit will be located downwind of the prevailing wind direction on the southwest side of location, a minimum of 100 feet from the well head.
- d. The stockpiled topsoil (first six inches) will be stored in a windrow fashion on the south side of the location between points 6 & 4. If and when well is completed as an producer it will have a seed mix as per USFS spread over topsoil stockpile and tracked in with dozer. There will be no spoils stockpile.
- e. Access to the well pad will be from the East between points 1 and 2.
- f. See Location Layout for orientation of rig.
- g. The location of mud tanks; flare pit, trash cage; pipe racks and soil stockpiles will be shown on the Location Layout.

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- h. During construction, all brush will be removed from the well pad and access road and stockpiled separately from the topsoil.
- i. All pits will be fence according to the following minimum standards:
  - 1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
  - 2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
  - 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
  - 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
  - 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.
- j. If a reserve pit is deemed necessary and after approval the reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

**10. Plans for Restoration of Surface****Producing Location**

- a. Immediately upon well completion the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.

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- c. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer.
- d. The seed mixture for reclamation work will be a sight specific mixture as recommended by the authorized officer of the USFS at the time of reclamation. Seeding will be performed in the fall after September 15 or until permanent ground freeze. Any other seeding period will require the approval of the authorized officer of the USFS.
- e. The topsoil stockpile will be seeded as noted above.

**Dry Hole**

- f. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and USFS will attach the appropriate surface rehabilitation conditions of approval.

**11. Surface Ownership**

Access Roads – All roads are County maintained or managed by the USFS with the exception of the 3.7-mile upgraded access road located in Sections 31, 32, 28, 27, 26, 24 & 23. See map A

Well pad – The well pad is located on lands managed by the USFS.

**12. Other Information**

- a. A Class III archeological survey will not be necessary due to the fact that this re-entry will utilize only the old well pad site.
- b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archeological sites, or for collecting artifacts. If historic or archeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the Operator as to:
  - whether the materials appear eligible for the National Register of Historic Places;
  - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

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- at a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.
- c. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- d. Drilling rig and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without USFS authorization. However, if USFS authorization is obtained, it is only a temporary measure.
- e. No erosion control structures will be required by the USFS unless well is completed as a producer then a drainage ditch well need some work where it drains into the wash to the west of location.
- f. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- g. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- h. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.



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- i. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- j. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expirations of the original approval period. After permit termination, a new application will be filed for approval for any future operations.
- k. The operator or his contractor shall contact the BLM Office at 435-789-1362 and USFS Office at 435-789-1181 48 hours prior to construction activities.
- l. The USFS Office shall be notified upon site completion prior to moving on the drilling rig.
- m. In the event after-hours approvals are necessary, please contact one of the following individuals:

Gerald E. Keneska	Petroleum Engineer	435-781-1190
Ed Forsman	Petroleum Engineer	435-789-7077
BLM Fax Machine		435-789-3634

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SURFACE USE PLAN

13.

Lessee's or Operator's Representative and CertificationPermit Matters

Medallion Exploration  
P.O. Box 1328  
Roosevelt, Utah, 84066  
435-722-4600 (O) Steve Lamb  
435-646-3441 (H)  
435-722-7500 (M)

Drilling & Completion Matters


MEDALLION EXPLORATION  
P.O. Box 1328  
Roosevelt, Utah 84066  
435/722-4600 (O) Steve Lamb  
435/646/3441 (H)  
435/722-7500 (M)

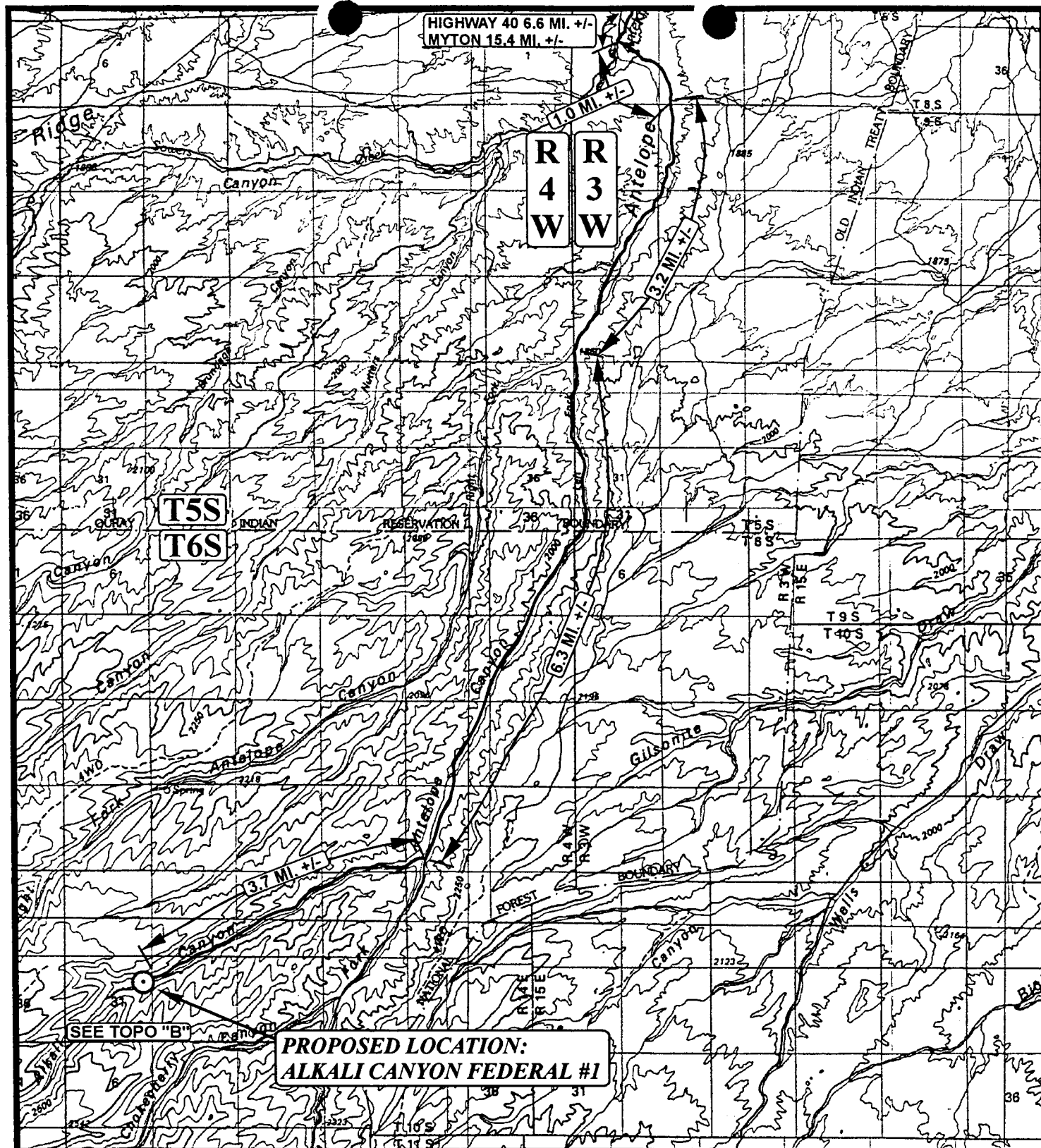
Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Medallion Exploration and its contractors and sub contractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 100 for the filing of a false statement.

August 6, 1998

  
Steven b. Lamb  
Field Supt.  
Medallion Exploration.



# LEGEND:

○ PROPOSED LOCATION

# MEDALLION EXPLORATION

ALKALI CANYON FEDERAL #1  
SECTION 31, T6S, R4W, U.S.B.&M.  
1804' FNL 849' FEL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

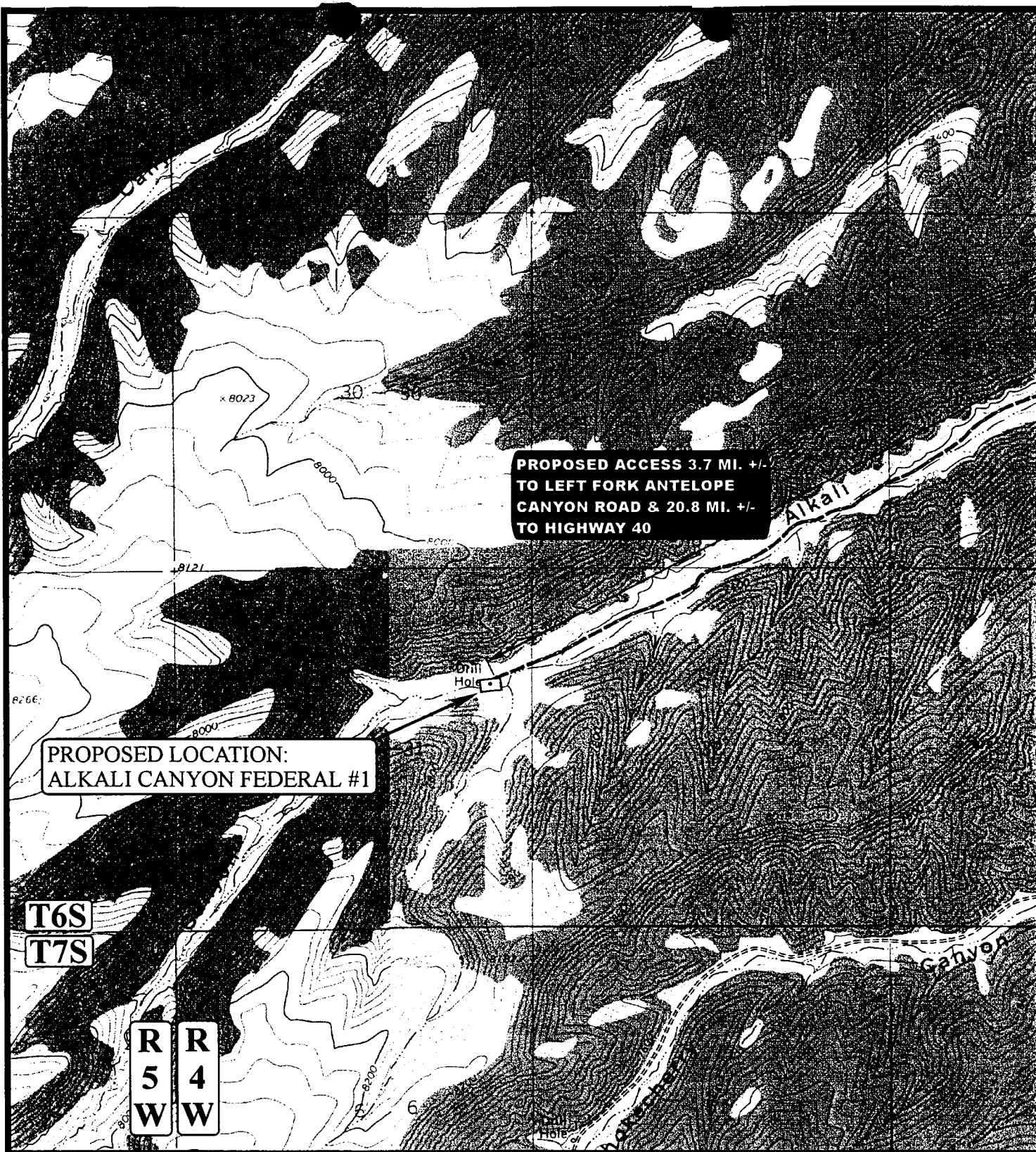


TOPOGRAPHIC  
MAP

7 7 98  
MONTH DAY YEAR

SCALE: 1: 100,000 DRAWN BY: D.R.B. REVISED: 00-00-00





PROPOSED ACCESS 3.7 MI. +/-  
TO LEFT FORK ANTELOPE  
CANYON ROAD & 20.8 MI. +/-  
TO HIGHWAY 40

PROPOSED LOCATION:  
ALKALI CANYON FEDERAL #1

T6S  
T7S

R5W  
R4W

**LEGEND:**

----- PROPOSED ACCESS ROAD  
————— EXISTING ROAD

**MEDALLION EXPLORATION**

ALKALI CANYON FEDERAL #1  
SECTION 31, T6S, R4W, U.S.B.&M.  
1804' FNL 849' FWL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



TOPOGRAPHIC  
MAP

7 7 98  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: D.R.B. REVISED: 00-00-00

B  
TOPO



**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/19/1966 \*5-2101 ReEnter.

API NO. ASSIGNED: 43-013-20100

WELL NAME: ALKALI CANYON FED 1

OPERATOR: MEDALLION EXPLORATION ( N5050 )

CONTACT: RASCHELLE RICHINS

PHONE NUMBER: 801-566-7400

**PROPOSED LOCATION:**

SENE 31 060S 040W

SURFACE: 1804 FNL 0849 FEL

BOTTOM: 1804 FNL 0849 FEL

DUCHESNE

WILDCAT ( 1 )

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-77317

SURFACE OWNER: 1 - Federal \*KSFs

PROPOSED FORMATION: WSTC

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

**RECEIVED AND/OR REVIEWED:**

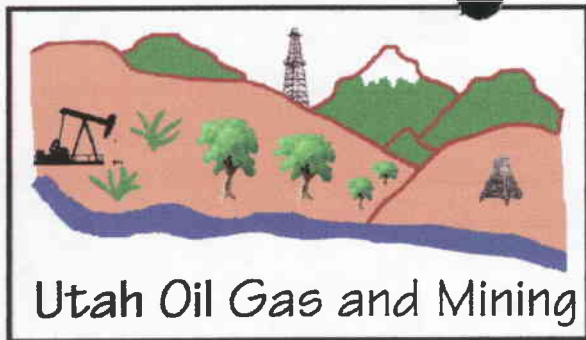
☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. UT-1066 )  
☒ Potash (Y/N)  
☒ Oil Shale (Y/N) \*190-5 (B) or 190-3  
☒ Water Permit  
(No. 43-1721 )  
☒ RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )  
☒ Fee Surf Agreement (Y/N)

**LOCATION AND SITING:**

☐ R649-2-3. Unit \_\_\_\_\_  
☒ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells  
☐ R649-3-3. Exception  
☐ Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_  
☐ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: ① FEDERAL APPROVAL

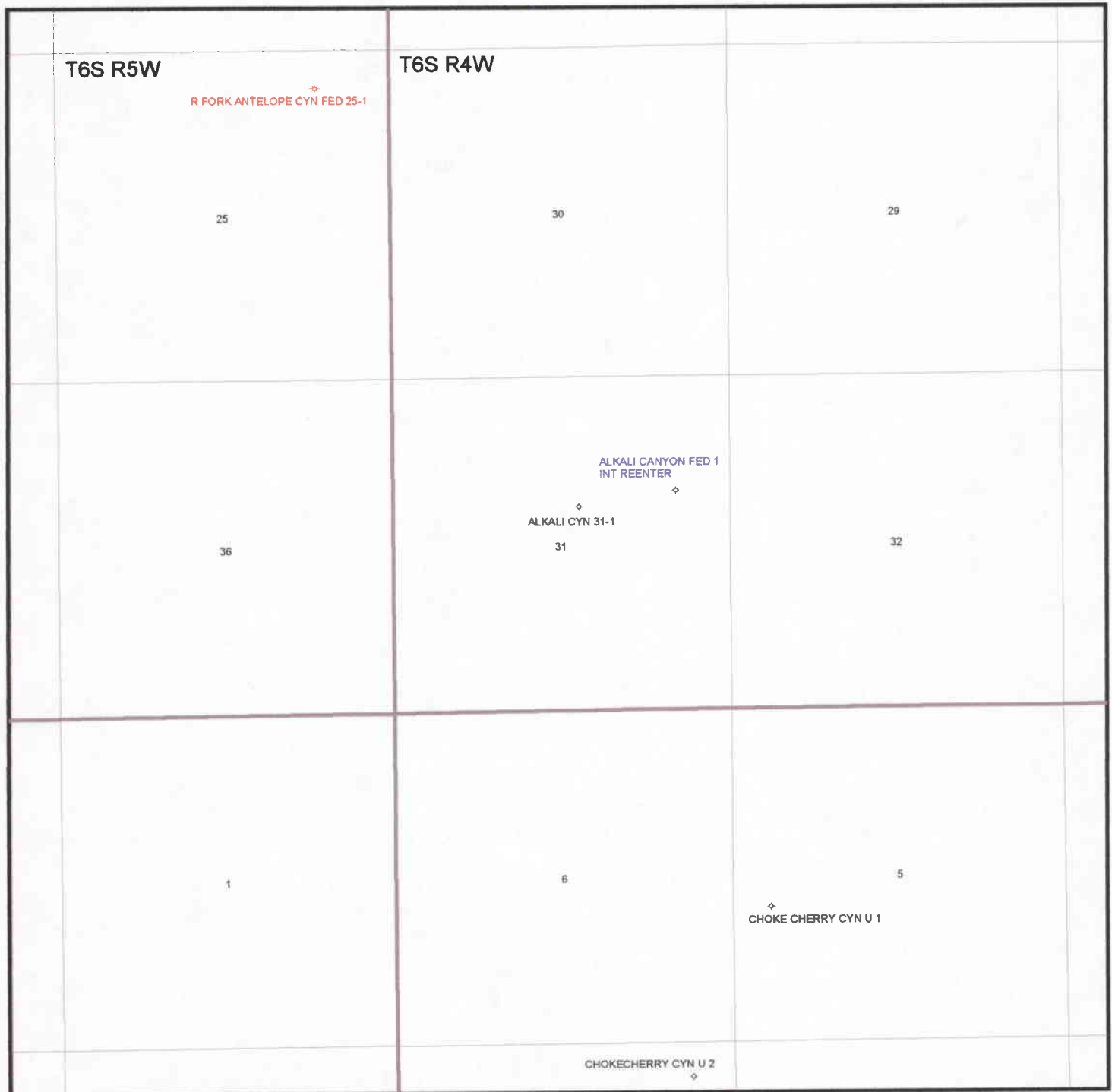


OPERATOR: MEDALLION EXPLOR (N5050)

SEC. 31, T6S, R4W

FIELD: WILDCAT (001)

COUNTY: DUCHESNE SPACING: R649-3-2/GEN ST





State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Kathleen Clarke  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

May 29, 2001

Medallion Exploration  
6975 Union Park Center, Suite 310  
Midvale, UT 84047

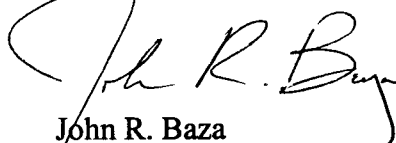
Re: Alkali Canyon Federal 1 Well, 1804' FNL, 849' FEL, SE NE, Sec. 31, T. 6 South,  
R. 4 West, Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-20100.

Sincerely,



John R. Baza  
Associate Director

er  
Enclosures

cc: Duchesne County Assessor  
Bureau of Land Management, Vernal District Office



**Operator:** Medallion Exploration  
**Well Name & Number** Alkali Canyon Federal 1  
**API Number:** 43-013-20100  
**Lease:** UTU 77317

**Location:** SE NE      **Sec.** 31      **T.** 6 South      **R.** 4 West

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

**4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☒

PLUG BACK ☐

1b. TYPE OF WELL

OIL  
WELL ☐ GAS  
WELL ☒ OTHER

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR  
Medallion Exploration

3. ADDRESS OF OPERATOR  
6975 Union Park Center, Ste. 310 Midvale, Utah 84047

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. \*)

At Surface SENE 1804' FNL & 849' FEL

At proposed Prod. Zone

RECEIVED  
MAY 21 2001

5. LEASE DESIGNATION AND SERIAL NO.  
UTU-77317

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
ALKALI CANYON FEDERAL

9. WELL NO.  
#1

10. FIELD AND POOL OR WILDCAT  
WILDCAT

11. SEC., T., R., M., or BLK.  
AND SURVEY OR AREA  
SEC. 31, T6S, R4W

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
29.6

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY  
OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
1992.5

16. NO. OF ACRES IN LEASE  
2,222.74

17. NO. OF ACRES ASSIGNED TO THIS WELL  
640'

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL,  
DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.  
APPROX 4 MILES

19. PROPOSED DEPTH  
3305'

20. ROTARY OR CABLE TOOLS  
ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
7457'

22. APPROX. DATE WORK WILL START\*  
UPON APPROVAL AND AVAILABILITY OF RIG

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24	296'	225 SKS PUMPED 12/1966
7-7/8"	5-1/2"	15	5100'	370 SKS PUMPED 12/1966

Medallion Exploration proposes to cut off dry hole marker and install 11" x 3 M casing and 7-1/16" x 5 M tubing spools.  
Drill out cement plugs and CIBPs down to 4950'. Perforate and test several zones in the Greenriver formation.  
If well is completed as a producer then a sundry will be sent showing where surface equipment is to be set.  
If well is not a producer then well will be plugged and location reclaimed as per USFS and BLM recommendations.

All operations will be covered under Medallion Explorations Federal Bond # UT-1066.

This APD is also a request for Right-of-Way

3-BLM, Vernal  
CC: 2 USFS, Vernal  
CC: 2 Utah Div. Of Oil, Gas, and Mining

IN ABOVE SPACE DESCRIBE PROPOSE DRILLING PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone.  
If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE Production Assistant DATE 5/17/01

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE.)

NOTICE OF APPROVAL

PERMIT NO. [Signature] APPROVAL DATE 10/15/2001  
APPROVED BY [Signature] TITLE Assistant Field Manager  
CONDITIONS OF APPROVAL, IF ANY Mineral Resources

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONDITIONS OF APPROVAL ATTACHED

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Medallion Exploration

Well Name & Number: ALKALI CANYON FEDERAL #1

API Number: 43-013-20100

Lease Number: U - 77317

Location: SENE Sec. 31 T. 06S R. 04W

**NOTIFICATION REQUIREMENTS**

- |                                 |   |   |
|---------------------------------|---|---|
| Location Reconstruction         | - | at least forty-eight (48) hours prior to reconstruction of location and access roads.   |
| Location Completion             | - | prior to moving on the drilling or completion rig.  |
| Spud Notice                     | - | at least twenty-four (24) hours prior to drilling out the well.   |
| Casing String and Cementing     | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings.   |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests.   |
| First Production Notice         | - | within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

## CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

### A. DRILLING PROGRAM

#### 1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

#### 2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **2M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

#### 3. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

4. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor proof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

5. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

6. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman                      (435) 828-7874  
Petroleum Engineer

Kirk Fleetwood                (435) 828-7875  
Petroleum Engineer

BLM FAX Machine              (435) 781-4410

## EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.



## SURFACE CONDITIONS OF APPROVAL

The Forest Service Decision Memo states: "The site specific analysis has determined that the sites proposed for drilling have previously been disturbed during drilling activities. Minimal additional surface disturbance will occur. It has also been determined that no cultural resources or T&E plants or animals will be affected."

The main Forest Service Representative for this project will be Jeffrey DeFreest of the Duchesne Ranger District Forest Service Office. If you have any questions for the Forest Service contact him or call Joe Bistrski who is the District Ranger for the Duchesne Office at (435)-738-2482.

For drilling operations the present existing road will be maintained in its present alignment with maintenance and repair as needed. The present 3.7 mile road in Alkali Canyon will be bladed no more than 14 feet wide and maintained to accommodate rig traffic and water trucks. Turnouts may be provided for passing and will be flagged by the Forest Service upon request. This well is about 4.0 miles southwest of the Left Fork Antelope #1 well also proposed by Medallion Exploration and from there on north existing access roads would be used for both wells.

The layout diagram of the APD depicts the changes made at the first onsite July 29, 1998. The flare pit is shown to be about 20 by 20 feet and located in the Southwest corner of the pad. At that onsite it was also agreed to channel runoff to the South side of the location and redirect the water development to allow the entire pad to dry out during drilling operations.

The water trough at Cedar Spring at the edge of the proposed pad will be moved 150 feet or more to the East of the drill pad to mitigate impacts to livestock and wildlife obtaining water. The Forest Service will flag a new location for the water trough.

The old well location will be leveled by scraping existing vegetation and stockpiling topsoil.

If the well is not completed as a producer, it will be plugged, all equipment will be removed, the site will be reshaped, and topsoil will be respread and the site revegetated. This revegetation reclamation would be done according to Forest Service specifications. The following seed mix was approved for the project reclamation in the Forest Service's letter of August 7, 1998.

Alkali Canyon Federal #1 well:

Goldar Bluebunch Wheatgrass	3 lbs/acre
Fairway Crested Wheatgrass	3 lbs/acre
Thickspike Wheatgrass	3 lbs/acre
Russian Wildrye	3 lbs/acre

At this location a flare pit/workover pit will be required for the well reentry operations. If the well is a producer check with the Forest Service about reclamation for this pit and any parts of the pad not needed for production operations. The Forest Service requests that topsoil storage areas be reseeded if production is established, otherwise the entire site will be reclaimed the same season.

If the well is completed as a producer, a sundry notice will be submitted showing where surface equipment will be set for long term production. Existing roads may need to be widened and upgraded and 4-inch flowlines would be installed next to the roadway. At that time additional cultural resource and T&E Species inventories will be required and additional mitigation measures will be applied as necessary/ if necessary. This would be done in a manner consistent with the Western Uinta Basin Oil and Gas Leasing EIS of 1997. (See the Decision Memo of September 14, 1998)

-Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, and crowning (2 to 3%). Graveling or capping the roadbed will be required as necessary to provide a well constructed safe road. Prior to construction/upgrading, the proposed road surface or existing road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Should mud holes develop, they shall be filled in to prevent detours. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainage be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. When snow is removed from the road during the winter months, the snow should be pushed outside of the burrow ditches and the turn outs should be kept clear so that when the snow melts the water will be channeled away from the road.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

## SUNDRY NOTICES AND REPORTS OIL WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use application for permit-for such proposals

## 6. Lease Designation and Serial Number

UTU-77317

## 7. Indian Allottee or Tribe Name

N/A

## 8. Unit of Communitization Agreement

N/A

## 1. Type of Well



Oil Well

Gas



Well



Other (Specify)

## 2. Name of Operator

MEDALLION EXPLORATION

## 3. Address of Operator

6975 UNION PARK CENTER, STE. 310 MIDVALE, UTAH 84047

(435) 722-4600

## 9. Well Name and Number

ALKALI CANYON FEDERAL /

## 10. API Well Number

43-013-20100

## 11. Field and Pool, or Wildcat

WILDCAT

## 5. Location of Well

Footage

1804' FNL &amp; 849' FEL

COUNTY: DUCHESNE

CO., Sec., T., R., M.

SE NE SEC. 31, T6S, R4W

STATE: UTAH

## 12 CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

## NOTICE OF INTENT

(SUBMIT IN DUPLICATE)

- ☐ Abandonment  
☐ Casing Repair  
☐ Change of Plans  
☐ Conversion to injection  
☐ Fracture Treat  
☐ Multiple Completion

- ☐ New Construction  
☐ Pull or Alter Casing  
☐ Recompletion  
☐ Shoot or Acidize  
☐ Vent or Fare  
☐ Water Shut-Off

☒ Other

## DRILLING EXTENSION

Approximate Date Work Will Start

## SUBSEQUENT REPORT

(SUBMIT ORIGINAL FORM ONLY)

- ☐ Abandonment  
☐ Casing Repair  
☐ Change Plans  
☐ Conversion to injection  
☐ Fracture Treat  
☐ Other

- ☐ New Construction  
☐ Pull or Alter Casing  
☐ Shoot or Acidize  
☐ Vent of Flare  
☐ Water Shut-Off

Date of Work Completion

Report results or Multiple Completions and Recompletions to different reservoirs  
on WELL COMPLETION OR RECOMPLETION AND LOG form.

\*Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

MEDALLION EXPLORATION IS REQUESTING A DRILLING EXTENSION. WE HAVE FARMED OUT THE  
DEEP RIGHTS TO CMS AND ARE WAITING FOR THEM TO DRILL THE WELL.

Approved by the  
Utah Division of  
Oil, Gas and Mining

COPY SENT TO OPERATOR

Date:

Initials:

6-26-02

CHD

Date:

06-25-02

By:

14. I hereby certify that the foregoing is true and correct.

Name &amp; Signature: RaSchelle Richens

Title: Permitting

Date: 06/20/02

-03/15/99-

State Use Only!

See Instructions on Reverse Side

RECEIVED

JUN 24 2002

DIVISION OF  
OIL, GAS AND MINING



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal Field Office  
170 South 500 East  
Vernal, Utah 84078-2799  
<http://www.blm.gov/utah/vernal>

Phone: (435) 781-4400  
Fax: (435) 781-4410

IN REPLY REFER TO:  
3160  
UT08300

December 10, 2002

Rachell Richens  
Medallion Exploration  
6975 Union Park Ctr, Suite 310  
Midvale, UT 84047

Re: Notification of Expiration  
Well No. Alkali Canyon Federal #1  
NESW, Sec. 31, T6S, R4W  
Lease No. U-77317

Dear Ms. Richens:

The Application for Permit to Drill the above-referenced well was approved on October 15, 2001. Since that date, no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Leslie Walker  
Legal Instruments Examiner

cc: UDOGM  
US Forest Service

RECEIVED

DIV. OF OIL, GAS & MINING



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210

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Salt Lake City, Utah 84114-5801

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Michael O. Leavitt  
Governor

Robert L. Morgan  
Executive Director

Lowell P. Braxton  
Division Director

July 16, 2003

RaSchelle Richens  
Medallion Exploration  
6975 Union Park Center, Ste 310  
Midvale, UT 84047

Re: APD Rescinded – Alkali Canyon Fed 1, Sec. 31, T. 6S, R. 4W Duchesne, Utah  
API No. 43-013-20100

Dear Ms. Richens:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 29, 2001. On June 25, 2002, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective July 16, 2003.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason  
Engineering Technician

cc: Well File  
Bureau of Land Management, Vernal



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, Utah 84078-2799

<http://www.blm.gov/utah/vernal>

Phone: (435) 781-4400

Fax: (435) 781-4410

IN REPLY REFER TO:

3160

UT08300

January 5, 2004

RaSchelle Richens  
Medallion Exploration  
6975 Union Park Center, Suite 310  
Midvale, Utah 84047

Re: Well No. Alkali Canyon Federal #1  
SENE, Sec. 31, T6S, R4W  
Duchesne County, Utah  
Lease No. UTU-77317

Dear Ms. Richens:

The Application for Permit to Drill the above-referenced well is being returned unapproved. A letter dated January 13, 2002, was sent notifying your company that an updated concurrence was needed from the US Forest Service prior to the BLM continuing to process this permit.

In accordance with Onshore Oil & Gas Order No. 1, Section III.B.2, the referenced permit is be returned. The Onshore Order states:

"If the deficiencies are not corrected and/or the additional required information is not submitted within 45 days of the date of any oral or written notice [if no prior oral notice], the application shall be returned to the proponent."

The APD may be resubmitted to this office upon successful receipt of concurrence from the USFS.

If you have any questions concerning APD processing, please contact me at (435) 781-4497.

Sincerely,

*Leslie Walker*

Leslie Walker

Legal Instruments Examiner

cc: UDOGM  
US Forest Service

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JAN 14 2004

DIV. OF OIL, GAS & MINING